

How Mario Guzman, A One Man Team Closes Over 70-80 Homes per Year.

Adam: [00:01:28] Mario.

Mario: [00:01:29] Yes sir. You got me in the seat.

Adam: [00:01:31] I did. And I'm I really really appreciate you coming into to hang out with us and share your information. So you and I have known each other well like almost 10 years.

Mario: [00:01:41] Yes sir.

Adam: [00:01:42] That's awesome. So when did you start doing real estate?

Mario: [00:01:44] You know always say 13 years 13 years and I've been stuck I guess all those years for a while but I think this I'm coming up I'm a 14 year in February.

Mario: [00:01:55] So 14 years what was that 2003?

Mario: [00:02:06] Yes sir. And then I got my broker's license like three years after that. Wow. So you hopped on it yeah got to really quick. So that was like before the boom. Yeah unfortunately I was not that established. When that's when the boom was there because it was you know subprime It was really easy. I mean you're breathing you will qualify kind of thing. The good is the good days. So I was I started at that time. I just wasn't established so I really didn't get a lot of that business. And then when it started to take off it was like 0 6 and then that's when I went to get.

Adam: [00:02:40] So you didn't like start selling a lot.

Mario: [00:02:42] And so actually it took me. Stop selling. It took me six months to get my first show. Whoa. But that's that's average actually in a lot of routers down days you know those start running you know to me like six months to get my first sale. And actually it was to my own brother I did it probably wrong. But you know once I got going I got going.

Adam: [00:03:05] So tell me a little bit about like in the beginning like how you got going.

Mario: [00:03:09] I had a great mentor. His name is Jalal. I don't know. He's actually the broker over there are Mike Benoit's office in Pasadena. But I kind of shadowed him. You know he actually sold my parents house. Oh you did told me this story. So I actually you know a kind of a somebody I kind of saw him you know do his thing and then you saw the fancy real thing and then and you know he went in there he sold and he was hustling and you know my dad made like an Afkhami like you know maybe something that you would want to try. So I did get my license and I actually went with him because he had his own brokerage and I shattered him. I learned probably 70 percent of what I know today from him and I just like that and I haven't stopped ever since.

Adam: [00:03:57] So how did you how long did you mentor like shadow him.

Mario: [00:04:01] I when I when I got into real estate I had a full time job and the writing was kind of like doing what it was I was a sales manager for a telecommunication company. So I kind of sensed that was that at his end of his road. So I was kind of looking for something to transition into.

So I was doing that full time. And then as soon as I got off work like at 5:00 I would go to the office day and on weekends I was there Saturday and Sunday. But keep in mind was different because back then there was no. No Facebook none of that. Back then you could actually get in 2003 and 2005. Back then you could actually get property time and that was gold man because that's when people how that's how they will communicate they'll cut the number off the sign. And if you were taking the call and that's how you would build up your clientele base you got to put it to work. You know I was there like I said straight from one job to the other. And that was their weekends.

Adam: [00:04:54] That's what I did too. .

Adam: [00:04:59] So I got a position at an end so I wasn't really hurting for money because I had a full time job. And then it was just a smooth transition into real estate. But he let me go with them to like listing appointment. He would answer my questions. There were other real answers there but he was one that taught me a lot.

Adam: [00:05:20] And then so that was before the crash.

Mario: [00:05:22] Yes.

Adam: [00:05:23] So what happened with the crash and with your business.

Mario: [00:05:26] It it really didn't affect me that bad because when I asked my my base of clients where I started home and when I say start a home I'm talking about you know back then you know that the 72 hours is the 80000. And a lot of realtors really didn't want to work what that price meant to me. And I loved it. So there was still that type of business around the lower end the lower end. Yes. And I embraced it and I helped them all get properties and then as as time went by and their kids started buying or they got better jobs and then that just kept growing and I just got it kept getting referrals and now you know price points have gotten bigger.

Adam: [00:06:11] So it's the same fundamental same work just is the same basically the same lower clientele but that price point has got higher.

Mario: [00:06:19] Correct.

Mario: [00:06:19] Which is which is now you know start to home now is what 130 140 150 used to be.

Adam: [00:06:25] If you can find the so yet that leads me into like you know the main reason why you know you're here is because you every year you close at least 70 to 70 I think last year just about 70 transactions. So that's crazy. So you know that right. Because I listen to a lot. You know I absorb a lot of information. I talk about realtors and there's this kind of unspoken rule that the max one person one agent can do is like 50. OK. So and you just totally disregarded that.

Adam: [00:06:54] So how do you do it?

Mario: [00:06:56] Im very efficient and out obviously you know I learn from my mistakes. If somebody is not working I don't do it. Some things were works I keep doing it. But for example you know my loan officer you know cheated 95 percent of my loans. You know and if she says yes

I could do it alone. That's a yes. If she says no it's a no. So what does that do that that cutoff distressed time wasting time that you get to the end and you can't close them. Obviously they don't qualify. We tell them what they have to do and sometimes they call it six months eight months or sooner or something that might not cut at all. But that's one part of it. The other part of it.

Adam: [00:07:35] OK. So you make sure that your loan officer who you trust gives you a solid prequel Yes says she can do it. Yes. And then that makes you more efficient with your clients big time.

Mario: [00:07:48] So it generally does what would happen if somebody calls me and by the way my business is 100 percent referral. Well zero marketing I don't spend one marketing dollar. It's all true. It's true zero. So when people call me there's some level of trust because they've been referred by a friend or family member or whatnot. So when they call me i get their information I send it to that particular lender.

Mario: [00:08:14] Most of the time they're not qualified or they haven't been qualified. Very rare. They already did that part. Obviously I would leave it open ended and I tell them you know check with your bank whoever you feel comfortable with. Most times you know they'll go through my lender and as long as she gives me the answer. You know start the process. That's one part of it. The other part of it is I've been doing this for a long time so obviously whenever we do go into a contract I am going to pick Properties that I know are not going to have issues when the inspector goes. Obviously I'm not an inspector but there's obvious signs when you walk through a property Redlegs correct in and not only that you know for example showing houses it's not about just opening the door and look at it do you like it. Yes. You know as a realtor as soon as I walk into the property you know I'm pointing things out a roof in my opinion very limited. I mean that in my opinion you know that might not last long. So what does that do. They still want to buy the house and when the inspector tells them that there's no surprise there's no like oh my God you know shock. You know I'm not going to move forward or not. So. So you know a lot of the time we pick up property more than likely was pretty solid.

Adam: [00:09:21] So it sets you up. So from the beginning educating the client and pointing out the red flags you up for an easier process when it comes down to this.

Mario: [00:09:29] That is correct. So in other words I mean the property that we walk in I'm like this isn't going to work guys. They just just go onto the next one.

Mario: [00:09:44] But the issue is that not every good agent goes and shows the property of themselves or delegate it so that if you delegate delegating your part of show it to somebody else maybe they don't have the knowledge that you have and then that's when you go into possibly not being it possibly having some type of issue throughout the process. So that's part one. So with my lender I know I get the OK from the lender. Part two is you know actually we identify a property that you know more than likely we're not going to have any issues or the issues should be resolvable.

Adam: [00:10:16] So let me ask you one thing real quick. So you know you have your clientele but there are a lot of clientele who they're the ones up at night on Zillow and and Haar and looking at properties and they're the ones searching. So how do you handle the clients that are more proactive that are sending you properties the same way just reading him through you know how well up.

Mario: [00:10:36] I always say every client different you know nowadays everybody is on their phones or whatnot. And so I always tell them. OK we're meeting Sunday. If there's anything out there that you like send them to me and then I'll add whatever I feel is a good buy or what not. So sometimes just I me two or three properties and then I'll print them out. You know call and make sure they're available or not and I would tell them Look I'm not showing you these because it's a short sale. I'm not showing you this one because there's a tenant there that can move out in a month. So I never disregard what they send me.

Adam: [00:11:09] So but. OK so how do you handle it like a client says I don't care as you know. So what's your process for explaining you know how do you talk someone out from not wanting to see sale.

Mario: [00:11:21] Correct. Well I mean I explain the pros and cons and then I would leave it open ended and say well I mean we'll show it. I mean we'll go go look at it. But this does is more likely what's going to happen. But mostly they listen. You know I mean they know you know what you're talking about and if you take the time and explain it most of the time to be like OK you know I don't want to go that route.

Adam: [00:11:39] It's a good question. How to handle short sales. You know how to handle clients who want to show results.

Mario: [00:11:44] Is it worth it.No.

Adam: [00:11:45] OK. Continue with your process.

Adam: [00:11:47] So. So you know once we got the lending part down and once you know we shouldn't have any issues with the inspection report then at that point you know you got basically two of the most important things down. So as far as getting to closing there should be no big bumps along the road. You're past the biggest hurdle. Correct. At that point it's just basically going through the lending process and getting to the closing table.

Adam: [00:12:12] So I'm not putting on my phone I'm pulling out the other. The answer the question that all the agents have submitted so I want to get this going real quick. But get these up so quick. Tell us about a day in the life of the great Mario.

Mario: [00:12:28] I'm a robot. It's the same thing every day. It doesn't matter if it's Christmas it doesn't matter. This weekend I'm going to do that. I do the exact same thing every day that consist of waking up at 3:45 every morning no matter what day of the week I'm up at 3:45. Usually I do my pre-workout drink. I have an hour in front of the computer while I'm drinking the drink. I'm looking at haar. I'm looking for clients for homes. The little petty e-mails that were not that important that I didn't have to get to the day before you know I knocked those out.

Adam: [00:13:07] So you're already multitasking. Oh big time you're waking up you're being efficient you're saying while I drink this massacre right.

Mario: [00:13:14] I'm in front of the computer. I'm looking for. First thing I do is I look through HUD homes. I look through hubs to look for foreclosures for my investors and then I know what

clients I'm looking for so and then I go one by one. So I already know the zip code and look for properties and if there's a new property Well then I write it down in a little sheet of paper and the first thing in the morning like I wait till seven and I'm not going to text where I'll text them the property.

Adam: [00:13:41] So you send the listings personally yourself.

Mario: [00:13:45] Yes.

Adam: [00:13:46] Because a lot of the agents automate that but don't do that.

Mario: [00:13:48] You know I can. Yeah yeah yeah. Obviously I know.

Mario: [00:13:51] But then it becomes if I know that's happening maybe they look at it maybe they don't. There's nothing like me seeing it and saying it this is a winner. Correct. And let's do it as opposed to. OK. So because that's a huge claim. We're going back to being efficient. They get four listings. They like. One is a short so then why just send it to me now I'm there 20 minutes explaining something that doesn't even qualify. They could go maybe their FHA maybe that particular property you know for example I see when I identify a property it might be a remodeled property so the first thing I think is flip I go look at the tax records if I know they've only owned it for a month and I know my client is FHA Why am I going to sell them that property doesn't fit. They came by.

Mario: [00:14:34] You have to personally check have to make sure that it fits the criteria because if not I'm just wasting time to call me that want to see something that they can buy. So you've got to be efficient you know.

Adam: [00:14:43] I see that so much. I see you know clients getting upset or not upset by like you sending me the wrong property correct me sending me there and it's like I didn't send it out how to make it work. And then it's like we'll shit that's you know that's a good point. That's a really good point.

Mario: [00:14:56] So I do that. And then obviously even up to a couple of minutes look at the Chronicle. You know I read a little news here. Get updated on what's what's going on in the world. Then I go get my work out in the Morning. Forty five minutes an hour. By that time I come home to take my daughters to school and then I'll be at the office by 9am. But I've already got a head start on that.

Adam: [00:15:21] So you still take your kids to school. Yes. That's nice. That's awesome. So that's your more so when you say do the same thing your time what your morning routine.

Mario: [00:15:29] Well no no. The whole day is pretty much the same thing. So that's my morning. There were Morning important. And then when I get to the office around 9:00 I have a suitcase which you see me carry around all the time. And I have my files in there and I have them in order. The top files are all properties that I have on the contract that I'm the selling agent representing the buyer and I have them in order that they're going to close those files. I have just MLS printed out of properties that I've submitted offers that have not been accepted. They have not been accepted I just have to print out the moment they get accepted and put it in a manila folder. Then underdose is my

listings. The one that I got under contract in order that they're supposed to close in and under that is just my active listings. So what I'll do is I'll get to the office around 9 and I start at the top. Obviously the ones that are going to close faster those are the ones that I'm making sure everything's good so it'll be something like. I look at the file and I'm like I well let me follow up hey have disclosures been sent out send a lender an e-mail hey have you guys send disclosures have you guys ordered the appraisal.

Mario: [00:16:32] We're just checking in. I'm just checking in. And usually just you know quick. It only takes two minutes send an e-mail. Boom boom boom boom. If they don't reply in a day or two then I'm picking up the phone. Hey man. You know I call you what's going on then I'll do something for example if we're like let's say 12 days into it. They already did the appraisal. And if there's an existing survey I'll make sure it has been approved by the title company if there is not order one actually order all my surveys. Well from a particular company that I use. Why because they're the cheapest. So I'm trying to save my clients money. I can delegate that I could get the title company to do it. I just don't want to get to the end. We forgot to order. It is not here and I don't want to leave that to chance.

Adam: [00:17:14] So you don't leave anything to chance.

Mario: [00:17:15] Correct.

Mario: [00:17:17] Well part of what I do too is is as soon as I get them on the contract I'll send it to my to my insurance guy. I get a quote now I always tell people Well I would some people I don't care who you use I don't benefit financially if you use him or you use whoever doing is trying to streamline the process. I'm trying to explain to you how you know what what option you have for insurance. You go shop around and you bring me one but at least you get that process started you know you putting something proactive. Correct. So then if a service is not there on order it makes for a follow up. Then the title company usually when I'm 15 days into it hey it's time to work great. Do you have clear title Have you ordered a way. That's a big one. Have you your age away if you do you have to pay off. Is there anything you're missing from me. You're basically doing their job. Yes. Because it's real simple. A lot of realtors will say something like what title company is not ready. Did you ask that you follow up. You don't say no that's not our job. But it is my job to close on time is my drive to be efficient.

Adam: [00:18:23] You know that's so true. It's your job to get your clients are going to exactly the. You want to be as smooth. Exactly. You to the coaching going to bring these players together together and sometimes you know people think is just going get them under contract and then call me for closing.

Adam: [00:18:40] I mean all these issues could come up a lot of agents kind of check out after they get in.

Mario: [00:18:45] And believe it or not I don't. After a while people know that you're on top of things when they see your file they'll get things done. Because they know he's going to call me and just let me get it done.

Mario: [00:18:58] I am an individual. But but as far as what you say team is people that I work with vendors correct which is and that's another thing I don't I don't jump and jump and jump.

Mario: [00:19:09] I have a set of people that I use loyal and they get on my business. But they earned it because they earned it. And because it's very easy to switch money every time you swishing you're just making yourself inefficient. You making yourself you know what if if they're good with it. I don't see the purpose of constantly switching and finding new things if it works.

Adam: [00:19:31] Man that's so true because you know there's so many different like business development people that come around from different companies and you might really hit it off with that person but then that's not there. She's not even going to testify. Correct.

Mario: [00:19:42] You know so you don't know who's in this whole team of people behind her or them and that's another thing you know I don't really social network socialize I don't do none of that. I simply feel if you already have people that are doing the job why I'm you know I'm not going to go say I want a house at a network event. Yeah that's true. That to me for the loan for sure or or whatever. You know if our title company party you know we get invited to stuff all the time. So you don't you don't have the time for Iran to operate almost socialism or social lives of my family I work all the time. So if I have free time that's where I'm going to be spending it with my family not at networking events or things that are going to make me productive for sure.

Adam: [00:20:27] Man that's awesome. So I'm going to bust out these questions at some of the agents hand and there's some pretty good ones. So here we go.

Adam: [00:20:35] Alma and I want to know how he keeps in touch with his past clients. I know all his business his referrals and it can be difficult staying in touch if you're closing 80 transactions. What do you do and when.

Mario: [00:20:47] OK. I only do one thing and that in December I sent them the magnetic calendar. So I'll take you to that routine. So in December our order. I have it. I have them in my in my computer right.

Adam: [00:21:02] So after every closing you make it you have a spreadsheet Yes. So it's a database.

Mario: [00:21:06] Correct. So basically after every closing and make yourself correct because this is long term. So after every closing I basically put that address into the system right. And it doesn't matter what month of the year is. I always buy like like 70 or 80 calendars extra. So it might be in August and I still you know all weigh like a week after closing it out. I'll send you that calendar. So it's the magnetic calendar for the refrigerator with two business cards. So believe it or not when I go to people's homes they do have me on the refrigerator. Is it a Christmas one. No no it's just a year. Well it's a calendar year basically. So that's basically my only form of marketing or advertisement. So at the end of the year throughout the year as I close out send them one right that just two purposes that just you know here we closed and the other thing is that I had to address to my database. Then come December do a mass mailed out to all my clients. You do yourself. I do it myself and this is why I do it myself well because I go client by client and believe it or not I look at a cat and I want to see that you see on the eyes because 85 percent of the people that I sold the house to whenever they sell it they call me like and a lot of people don't have that turnover. But that just means that they were very happy with well and 85 percent. And keeping in touch I'm keeping in touch now.

Mario: [00:22:36] Every once in a while I see that they sold and used another realtor. Breaks my heart and then I say well you know maybe there's a family member that I know. You never know. You never know. Correct. So if for example I seen that they no longer own the property well then I'll take them off my mailing list.

Adam: [00:22:52] So you don't even you know a lot of agents would say I'll just leave it there. And you know that that person will get it.

Mario: [00:22:57] Yeah. No you don't want to do that. I don't need to do that. I mean I'm sending it directly to my clients that I know they're still there and that they own the property so what will happen is that the result is for two. Number one is because most I would say 40 percent of them do put me on the refrigerator. So that's easy my numbers there you know they have cast or whatever or somebody asked me with that that's the number right.

Mario: [00:23:18] So that's the main reason that you do it is just to basically stay in touch and believe it or not at home have people in the house and zero contact with them and in their Coppula 80 years later hey this is such and such. Eight years later with zero contact and eight years later they had a question about you know about this what about that. And it I always always always when people call me like that and it's often that they call me after not talking to her for years. I always make that call impactful for them. For example I always remember something about them and I was asking specific questions. Hey you're still working over here. Or hey something specific that they know that I appreciate them and they're not just somebody that I sold my house in. That's insane. And I always try to make them productive. For example I always remind them hey are you fighting your taxes. Are you keeping up with your insurance. How much did you pay last year. I'll tell you that sounds reasonable. Maybe you could find something better if they've owned the house for a while and hey maybe you qualify you can get your PMI dropped.

Mario: [00:24:22] Have you called Make sure that they have something I want to make and feel like I'm glad I called them because he sells a lot of good points you know and we preach about not making cold calls make him warm calls and reason to call and you just I had never thought of those reasons. You call Slifer p.m.-I. Yeah I heard you're moved you're maybe your insurance could be cheaper and maybe it was other when you said make sure the homestead is still in play. And

Mario: [00:24:48] the reason I say that is because sometimes people refinance their homes it gets dropped and they don't realize that oh you know I sometimes believe it or not they're older. Don't forget when you're 65. Congress we get that over 65 letter.

Mario: [00:25:01] So really you just provide such amazing personal service. Correct. And I know we've talked about this in the past but that booty Yeah mentality you literally do everything Kyra like I would say white glove correct. You like you do start to finish you like an concierge's. Do you like the concierges at the hotel that has a banana. Really. You know like hey hey hey mister Here's a banana for the day. That's awesome that's awesome. So one calendar year in December.

Mario: [00:25:30] That's it. And like I said when they do call me I'll make sure that that their call was impactful or that I helped them that that they're going to remember me and something that people call me. Most of it has to do with real estate. And I still try to you know get an answer for them I just you know you find a way to some give some value.

Mario: [00:25:49] Correct. You're just probing to find a way to correct all of that.

Adam: [00:25:52] So the next question comes from Spencer here in the office and we haven't really touched on this yet so far but you do in your own six properties six rentals it's rentals and your own personal property right. So when did you start buying rental properties.

Mario: [00:26:08] Ah on my first property that I bought I think I was like 22 22 or 23 years old. Well actually it was even before I got into real estate. OK. His

Adam: [00:26:19] question was what steps did you take to get to your first property.

Mario: [00:26:23] Well when I bought those it wasn't a sub prime time. So you could just buy a little zero money down. It was real simple. So you smart. I love my decision most of them that way. And lately you know I just been. Trying to to get more. And the reason is Adam number one obviously as realtors we don't have 401k we don't have things like that right. So obviously we need some type of a pension or not correct.

Adam: [00:26:47] That's what I heard you call it is your is your Mexican 401k having the best and I mean you make a good point. We don't have retirement. I've heard someone really smart and wealthy say that you can't get rich off of real estate but you can't get rich investing the money you make from real estate and that is exactly what that's what you do right. So tell us a little bit about your behind the scenes strategy. You have a kind of a nontraditional strategy that's probably pretty crazy some people.

Mario: [00:27:15] Think about it it just gets easier and easier.

Mario: [00:27:17] It's like anything you know you own one. Then just like getting money from that and it just makes it a bit easier to buy into it and you get money out of that and it just you know it just gets easier and easier. So.

Adam: [00:27:27] So tell us about how you because you have a little strategy right where you funnel your money your commissions to one.

Mario: [00:27:33] Yeah I try. What we try to obviously have fun and still go on vacation and still have you know live in a nice home and provide you know activities and stuff like that for kids. But I try to keep most most of my commission just specifically to invest in real estate. So my new property because I can buy new properties. And like I said it gets easier and easier. You know once you have some of you having an income coming in and you could just pay more.

Adam: [00:28:01] So how do you like you don't actively search for it for investment properties right.

Mario: [00:28:06] No.

[00:28:07] You kind of just do. But there's masters they do flips. So so whenever I get ready to buy one and say I got you know some money set aside that I'm ready to purchase another property. And then I look. But the point is the real key key factor here is when you have income besides your real estate income it makes you a stress free realtor in a stressful realtor is always going to be the best

realtor and desperate and that's the key word but.

Adam: [00:28:39] They're desperate.

Mario: [00:28:39] Because when when you're desperate sounds a harsh word but that's the truth that's not true.

Mario: [00:28:46] You need a commission if you have kids and you have bills and you can smell it.

Adam: [00:28:50] Yes people can smell desperation.

Mario: [00:28:53] And it doesn't really become about the right thing because I mean at the end of day you need that commission so you try to make things fit that don't fit in.

Adam: [00:29:01] And that's when things just you know when you're under stress and you're making bad decisions and things.

Mario: [00:29:06] There's nothing like like like a stress free realtor you know I hope I'm not desperate to start people believe when I tell people listen to clients I tell my clients when we're using our properties I tell them like I said six or seven homes a month. If you buy or you don't buy you're not going to make me or break me of one. One more one last. It really doesn't matter to me. So I'm not telling you this or this or this because I want you to buy. I'm simply giving you my advice whether you buy this month or you buy in three months it really doesn't matter to you literally so. Yes. And I literally talked people out of buying homes literally you know I'd be like no you know that I think you could buy for the same amount of money if you wait a little bit. I could get you a little bit better subdivision or a little bit better schools or or wait something a little bit bigger or something a little bit like sitting down payments or whatever that I feel. In other words I don't have to sell your house today. It could wait. And if people find out that people recognize that and that's why they refer you and that's why they're like Oh God well he's really looking out for my best interest. And it's so cool I don't because when you do that when you do tell people or advice people this is the one they listen to you. I get it.

Mario: [00:30:19] You know I'll give you the that I get to. But there's a level of trust you're not crying and she cried and cried You know. So you know I mean I had at some point when they started taking your advice more seriously because I like you know this guy is really looking out for me and.

Adam: [00:30:31] You know it differentiates you which is something that we preach your day off as well.

Adam: [00:30:36] There's so many agencies you have to differentiate yourself. And I don't know of any agency that like have that in their spiel as far as like you don't have to buy this house. And I think I can probably get some do say that but they're probably lying there like you don't have to buy if you want to buy need this condition. Really really hoping that you close them but. OK. So let's keep going. So Andrew says Salida She asks What is the key to avoid basalts. But I can't see what kind of touch we can attach to that.

Mario: [00:31:07] I mean I will go over it again. You know just simply you do the foundation. You

make your day one day one and what is the foundation you want to make sure the landing is solid. And number two you want to make sure that the property that they do pick is a property that you're not probably not going to have issues with.

Mario: [00:31:23] So you just handle all like any foreseeable issues you just squash it before there even arise.

Mario: [00:31:29] Those two things. And the third thing is follow up follow up follow up make sure make sure that the company is doing the team.

Mario: [00:31:35] Make sure the outside to make sure the lender is doing their job and also coaching the buyers you know to do or not to do. Don't do this don't do this don't do that don't do that. Just getting them are educated. Let me touch on something about that or expand that maybe has to do with that. When I went to real estate school I distinctively remember the teacher tell us you have to wear many caps. She said that right you have to be knowledgeable about about lending you have to be knowledgeable about the appraisal process you have to be knowledgeable about a lot of things right. And I feel like like realtors have gotten away from that you know now it's all about.

Adam: [00:32:17] It's all about. They put it on somebody else.

Mario: [00:32:19] Yeah exactly. So what happens what happens if you're unable to resolve issues. And so what happens is the reason that out of my deal hardly passed out. I mean I hardly have bought Stutsman. It's not easy it's because number one I don't put myself in a situation that I know the property doesn't fit. I don't put a client in a situation that would bust up correct. And furthermore if issues do arise I know how to read an appraisal and tenant know this is. You know did you adjust for this. Did you do that that you do this. You know I know how to. How do you know what the lender. I know the guidelines are. I know what's except the one that was that except the one when we get to final conditions. I know you know maybe it's better than some than Here's how to resolve that condition.

Adam: [00:33:01] But but how do you know those things like how did you know that.

Mario: [00:33:04] Because I'm involved in every single step of the process.

Adam: [00:33:08] And you but you took it upon yourself to educate yourself.

Mario: [00:33:11] Correct. For example if I have a buyer. They got the appraisal I want to see that appraisal and I want to study it. What what content the guy use what did he appraise for. Knowledge is power man you know for example something doesn't appraise and then you tell the appraiser what about these three properties what about them. Tell me what about them explain to me like break it down. It's very different if you say hey comp number one you don't adjust for lot size. It had a fireplace minus a C and the other one was a C too as most people would see for it to see to it they have no idea and that's basically the level you know that the appraiser uses So there's a lot of little things. So a lot of realtors have gotten away from that. So it's one of those things where I get you on a contract and then and then they don't close. Well there's like four or five or six or eight steps that you have to make sure they get followed and if they get followed they should not bust out.

Mario: [00:34:04] OK. So you just you know being super proactive and super indicating they work a lot of caps.

Mario: [00:34:11] I I go to all my inspections really. Hardly a lot of realtors do that.

Adam: [00:34:17] And so you like wait.

Mario: [00:34:18] I go to every show of those 80 properties whatever whoever I represented the buyers I went to every single inspection.

Adam: [00:34:26] So you go at the end?

Mario: [00:34:28] Yes

Mario: [00:34:29] for example like I'm usually there in the last 20 minutes. I know when he's going to start and I get there about the last 20 minutes. Now why do I do that. Most of these people isn't the first time homebuyers right. They hear the word like let's say like a freak out man. Now if you're there you're like well let's look at it you know and you asked the question what you know.

Adam: [00:34:52] So do you go with them. Yes. You

Mario: [00:34:54] say I make my buyers go to all the inspections. I want them there. I want the inspectors to want them. The inspector took over the report a verbal.

Adam: [00:35:05] With them are you with them.

Mario: [00:35:07] So you're squashing it right then and right then and then I want them to to explain. I want them to have the opportunity to show me you know show me where is this because the report is so much worse without that I see a picture of you know you have no idea.

Mario: [00:35:20] There you see it. And then you know you know what what the issue is.

Mario: [00:35:25] So that's another part of the process that really going to the inspector. And not only that Adam is a how can you sell homes if you don't even know that it's invincible. You don't like you could ask a Ranger What's a facial What's the software What's a coil. I don't even know.

Adam: [00:35:42] So how can you use something you have to be a generalist. You have to know about a lot of everything. And lending and that sanctions appraisals.

Adam: [00:35:51] That's actually a good it's it goes back full circle because how can you how can you like point out the red flags at the first showing if you don't get the inspection right.

Mario: [00:36:00] You don't learn that. And that's stuff that you do learn when you in inspectors for example or something like you might say they love to talk like they're going to talk to you and you might say something like outfought OK.

Mario: [00:36:12] He has to put down the report. Right. But it's not logical to think that that was an easy fix you know when is my listings. Sometimes I get the repairman admit my listings and the

real would be like we'll put on Fox. I mean you have no clue. You have no clue of what that is or how that works or are you just copying and paste correct just copying and pasting. But if you go to the inspection you hear him use terminology you hear him say well you know this is acceptable this is not acceptable. This is this common. And also I love to be there when structure engineers go because they will explain to you you know in their opinion like you don't know I consider this to be normal. I don't consider this to be normal and when you see one and you apply it. But if you don't have an asterisk there and say I'm not a structural absolutely always like I'm not an attorney I'm not an inspector. I've never you know this but but you still have to be not sober and do this correct. And if you're knowledgeable you deal shouldn't bust out because you don't you don't get yourself in those situations.

Adam: [00:37:18] So basically do avoid bust outs is good inspections because you will avoid the next bust you know and that back to you on why do people refer me under every step of the way.

Mario: [00:37:30] Man I'm there when the lending begins. I'm there when when we look at the property I'm there when we do the inspection I provide a quote form for insurance. I show up to closing that's really hard. Believe it or not when the lender has conditioned they send them to me and I get the conditions why.

Mario: [00:37:50] Because I wanted to think Mario Mario Mario Mario from from a to z. So you're controlling the experience thing.

Mario: [00:37:59] So you call me I'm going to deal with you from beginning to end. I make it as smooth as possible. We should not have any delays. Most deals are closed within 25 days 26 days. Everything is just streamlined.

Adam: [00:38:12] You're taking responsibility for everything entire agenda for the entire process.

Mario: [00:38:15] So what happens is very simple. First Party they talk about or get together or coworkers work. Well really my realtor didn't do anything of that for me. I had to do this. I had to find these I had to find it. It was horrible. All my that everything you know him pretty much. Yeah. And then of course they refer you will call him you know they go out of the way and tell you Well you know.

Adam: [00:38:37] And that's one thing that I've seen you know with your clients is like they you know they're passionate with their referrals. You got to use more. Yeah. You got to use margin call.

Mario: [00:38:45] Yeah. And and that makes you very efficient at them because when when for example if you're a lead generating or if you're marketing what happens what happens you're distracted. Big time. That's why I stopped. That's the reason I stopped marketing about eight years ago. Wow. Because it got to a point where I'm like OK I'm getting a lot of referral calls. So why do I want I know from my marketing I'm a get 12 cause. And maybe one will become a customer but not now I'm wasting time and the other 11 you know. So I say you know what I'm just I'm not going to market anymore and I'm just going to stick to more for us because when the first call me I mean I would think it's a done deal. About 60 70 percent when they call me they're going to get a house with me and then they trust me. And it cuts off a lot of the thing. But the point is this [00:39:36] **if agents would focus on taking care of their own clients as much as they focus on finding new clients they would be so successful** [7.8] because a lot of clients are just chasing new buyers that they

know are chasing.

Adam: [00:39:48] That's like that's like a Jeff Bezos quote man. I don't I'm going to never stop chasing. So you have real that I've been doing this and then when we get the chase then they just then they start getting them again.

Mario: [00:39:59] So then they get a buyer and then and then they give them shitty service and then they get a referral. So what happens so yes you're closing. I mean you're closing but you're always chasing you're always chasing and chasing because you never took care of your actual client. If you take care of them they were for you the phone is going to mean you don't have to market when your phone rings. It's more than likely going to turn into into an actual sold. You don't what you don't waste time with that.

Adam: [00:40:24] And everyone who comes to you basically knows that and trust and trust are correct.

Mario: [00:40:28] Correct. So. So it just makes you like I said if you would just put the same effort in finding new clients to take care of your own clients it would make a big difference.

Adam: [00:40:38] Wow that's huge. And like you don't even have to pitch. People don't like you don't go and listening. You know I would go on listing appointments and be pitching you but you just probably just go and just do you know.

Mario: [00:40:50] Believe it or not sometimes I have people that call me and say hey I'm interviewing realtors and now I'm going to interview three. I will go I don't have time to compete. And that's not efficient for me. You don't need to tell them that. Yeah. I don't know. That's fine. You know you have the other two just just as they were referred by me. But if I get just like a Coke or or even somebody that didn't tell you well we're working with another realtor I said Listen continue to work with that real if you get to a point that you're no longer working with them when they call me because I'm not going to be playing that I'm helping you. He's helping you out to the most. I'm too busy for that.

Mario: [00:41:24] And you straight up you pretty straight up with your clients. Are you serious. That's awesome. That's that's really really good stuff. So let's see let's keep going. So Andrea also asks How do you price what your methods for pricing your home for doing the math.

Mario: [00:41:40] I do the old school method and it's very simple to do the CMA but there's a lot of things that they click a button correct. Very simple to talk about it. But but I'll walk you through my little presentation such and such calls me that want to sell the property. I go to temple.

Mario: [00:42:02] It's going to be gone in a while. But anyway you see it gets better but I'll go to the MLS and I'll look up that subdivision.

Mario: [00:42:10] I'll look at active pending soul and I'll print that out right. Active pending so no filters on not just the impending sounds so I'll take that with me. And then I look at the active I look at the paintings. I look at the soles obviously that are similar to the square footage of the one that I'm going to go.

Adam: [00:42:28] So. So that is the filter that you filter.

Mario: [00:42:31] I still print everything OK but in my mind I kind of like a little start. OK. Next to the ones that I'm going to point out to them when I sit down.

Mario: [00:42:38] OK. So then like I see let's say three or four that that best fit the size and the size and the square footage. That confirms one then my printer is out because I wanted to see like this one did so for this but look at it you see new roof new this new this. So if yours doesn't have that we cannot expect to get this amount of money. So with me I'll take the active the pennies this old and I'll print out a couple just so they can see why those properties sold for them. If I see that their property is similar in condition to those one day I'll tell them more or less what the property will be worth. Also will send a seller's net sheet. I bring it with me because at the end of the day man graphics pretty this pretty that people want to know how much is my house worth and why. Right. Explain to me why you saying this is worth and how much money am I going to walk away with. That's it. That's all they want to know. So I'll do that. So you bring one sheet or do you bring one at you and then usually I'll do it based on what I think is worth seeing the property. And then if I think it's worth a little bit more I'll scratch that and add five to to the top and to the bottom I think is worth less one then from that number but it kind of gives them a basis of what the fees are involved with selling a property.

Adam: [00:43:57] And and because they're a referral they already trust you not matter. To the listing of places that I go. I would say I get eight or nine of them and the other ones that just weren't ready to sail or that I had a 10 year.

Mario: [00:44:11] Or they don't like the net. So they're not going to correct.

Mario: [00:44:13] And so they don't so and this is where the new Realtors the first four or five years I would drive around and look for for sale by owners and I would call them and I would get some of those. But now I don't do that because it's just not an efficient thing to do because I get so many referrals.

Mario: [00:44:31] But that's something that presumably are great you know a lot of times I like to say that they're just raising their hands and they want to sell their houses. And they'll list with the first agent that they talked to because. That's great. So OK that's great for me. So you're really kind of talked about who is your team of professionals. We don't need to name companies. I guess we can ask the title company lender and inspectors and why you why you choose to work them out for title company I use.

Mario: [00:45:02] And by the way what title companies like on my listings. If you want to use another type of company I don't care. I only have to drive one time right. So I always make it a point on the comments that that I would like to use Northstar. Right that's that's the title company that I prefer to use. But if you want to use another company that's fine. We're not going to argue about that. Shout out to me and obviously all the people that I use they give me great service or else I wouldn't be using them but in our stars case they're two minutes from my office. OK. So what does that do for me that makes me more efficient in my closing is that 11 hours work too. 10:55 right I go right to 10:55 and then it's a two minute drive to the title company and then I'm back at work. So if I use another type of company even if it meant we have a lot of people that come in and sponsor isn't that great and it's great and I don't mind closing with them but what happens at them in

my closing is that 11 am to leave here at 9:45 that's an hours work that I could log in because now I have to drive somewhere and park I have to go because you go to your closing. Correct because I go to my closings. So that's why. It makes me very efficient because they're real close to me. And obviously they do a great job too lending wise.

Mario: [00:46:20] I use up for public State Mortgage her name Sandy she's been doing it for 25 years and she does like 95 percent of my loans. Now in her case is one of those things where she is an awesome lender and they are bankers so they have in house everything. And she will give my client the best interest rates possible but put more than anything is she basically does loans for me only what I give her four to six deals typically So for her that keeps her enough busy because when you have another loan officer and you're dealing with 10 realtors I mean they don't have time to date to give great service. Correct. So. So that works out for me. Great for both of us because she's probably getting close she's like me obviously correct no. So she's happy with my deal. She takes care of my deals. And so that's why I stick to her. And you recommend an inspector specifically. Probably 60 percent of my contacts came from my mentor from 13 years ago and I still use the same contacts the inspector that I use his named Mark McCullough with Home Inspection Service. His dad was the one that was doing it. His That would be the one that would do my inspection. Obviously I always tell buyers Here's the list. This is the one that I use that I prefer to use but you can use whoever but 90 percent of the time don't go with the one that I kind of recommend. Correct. So I use him and what do I like about him. I don't think he's missed one appointment.

Mario: [00:48:00] I wasn't ever out of 80 a year ever.

Mario: [00:48:04] The point is that such time he will be there at such time. I do get the report no later than the next day guaranteed. So I need people that are responsible and responsive correct. And they're going to get the work done and that they're always working like I am.

Adam: [00:48:19] That's awesome. Cool. Super cool. OK. So let's see. Next question is so Jose's got a pretty specific question.

Adam: [00:48:28] And he says How do you handle properties where the inspector recommends a foundation company come in how do you communicate with the buyer. And you know let's see he says How do you handle that. Inspector recommends and have the foundation checked.

Mario: [00:48:46] Yeah. Well that's a good question and I usually don't handle it because we don't pick Properties on our foundation. So now. Now let me let me ask if it's in there. So you know usually I mean we don't we to property and again showing houses not just opening the door as you walk in the house I'm looking for cracks and I'm looking for four or four gaps I'm looking for for you know obvious signs of foundation issues and the obvious signs are there when we walk away but let's just say that we do get one that the inspector goes and he says hey you know there's a lot of movement over there it's more than normal. I always recommend getting a structural engineer.

Mario: [00:49:25] Another funding coming out of our nation company because they're out there for a bid. Yeah. I mean they don't have basically they're not like a third party. They have an interest of worry. You know it's the Roboto correct. I would recommend a structural engineer hey for structural and the buyer does the buyer buyer doesn't.

Adam: [00:49:43] How much does that usually go for?

Mario: [00:49:44] \$500.

Adam: [00:49:45] So you recommend that the buyers spend the next week if they really want to buy that house. And you only get to the point if they really want to buy a house because you already told them he doesn't.

Mario: [00:49:55] I mean I'm not exaggerating in the last year. Maybe I've had two properties that we've got under contract that the inspector said that was possible foundation issues. And both of them got. Got it. Well one of them he said well that's it and the other one really wanted to buy it and he didn't get a structural engineer report. And same thing for listings. When I walk on property if I see the obvious signs I tell I tell them I will list your house but you need to get a structural engineer to tell us that this house is fine because I really know what's going to happen. And this goes back to be inefficient. What's going to happen. There's three steps. The number one most buyers are going to be scared because the signs are there. So you might not even get an offer but let's say you get past that obstacle. The suspect is going to want to cover his ass so he's going to say consult a structural engineer but let's say you get past that obstacle the structural engineer still has to go with the majors going to make note of it so. So you hold up a hold up and you're only hurting your client. Now it's a beautiful thing when you lost a home and you put the structure into in your report. Foundation is fine.

Mario: [00:51:00] Yeah. That's voiding all that potential negotiations like that and just waste the time. So so for sellers that's one thing you do recommend if they see the signs you won't even list it now.

Adam: [00:51:12] Yeah I see. I mean if I see that the foundation is bad and they're not willing to let They tell me I'm going to take a cash offer like I'm selling really cheap. But if you want market value and the signs are there that the foundation is bad and you don't have a social engineer when what are we getting into.

Adam: [00:51:27] Wildmen you know like the the. Most agents will take any Langbroek put aside. That's pretty crazy.

Adam: [00:51:35] That's pretty awesome. Let's see what else we got.

Adam: [00:51:40] So Jose also ask that basically if your listing isn't selling and like how do you handle price adjustments and or you know price reductions correct.

Mario: [00:51:54] Usually like sometimes like a buyer or seller will call me and say hey it's not selling shall we reduce the price. When I look around and the average time it takes to sell and I'm guessing now we should wait a little bit longer give it another week even another two weeks when it gets to the point and maybe this will be a good tip for some for some realtors. If I am going to recommend a price reduction it has to be a significant number. For example let's say the home is listed for 180 189.

Mario: [00:52:26] Right. And they tell me we'll drop it to 186. Well then I tell them no. If you want to make an impact we have to get it down to 185 or 180. Why. Because people surging integrals or fives or zeros. So 189 186 you're going to capture the same audience. It's not going to bring you and

your audience. You want to lower into a number to a new price band. Correct. So that you could actually the goal is to attract a bigger audience and get more traffic in there.

Adam: [00:52:52] So you basically wait for price adjustments because you price houses pretty well. Yes. So you present competitively and you know why.

Mario: [00:52:59] Because I study appraisals. And if you study appraisals you know what the adjustments are. And you know you know how to go full circle correct everything's full circle. That's it.

Adam: [00:53:12] That's awesome. So yeah that's basically all the questions.

Adam: [00:53:16] Man that's some straight gold. And I love how you said basically the moral of the story to me is take care of the clients that you have and that will feed you for I could you forever be involved you know Super Bowl just part of it taking care of the client.

Mario: [00:53:32] But it's it's it's a lot of work but it's like anything if you put a lot of work you know there's rewards you get what you put into it. Exactly and try and see when you're really working hard for them. And then the referrals come and then it just gets easy. You're getting a little bit into sports and I think I talked to you about this. They asked Tom Brady how come he wasn't retiring. Right. And he said why would I retire. Easy now. I know all the answers. So why would I walk away from a situation. Is this the same thing for me. I know pretty much everything I see and everything I'm involved in everything I know about everything. So talk to me everything's real easy and you know I don't bust out. I don't I don't waste time in trying to get clients that had that new clients and our clients and I basically focus on our furloughs and I make sure from a to z everything is done correctly and it avoids wasting time having lost out having people unhappy. That's the other part of it. You know when you bust out you don't only lose a deal you're losing money.

Adam: [00:54:35] For sure. And we talked about this before how no matter whose fault it is. Yeah you're the thing. Absolutely. The research is the face of the trend is correct. I love it.

Mario: [00:54:45] And another thing is. Or one last tidbit is summer will be like well how do you get so many referrals or how do you keep on with it.

Mario: [00:54:57] When you delegate work you're delegating who who they're going to come back with. So for example will be very easy for me because sometimes I am too busy to give to pass a client to another realtor that's here right.

Mario: [00:55:08] I can say Hey take care of this client and we call 60:40 or whatever. But the way I see it is you're cutting a limb off your tree because that particular buyer. Yes I did make a percentage right. I made money without really working hard. They took care of it.

Mario: [00:55:25] But what happens in three years when they're ready to refer they're not going to refer to me they're going to refer to that to that kind of how you cut off a branch because that's going to sprout and get its own brand and some branches give you take clients and buy you not servicing that brand especially when there are furloughs I go back to the same thing guys you know they're just looking how to get the kind in but they're not looking to retain them or how to get extra business from them in the future. Very short sighted correct. Very yeah yeah. Looking at

the long term or else you're constantly chasing constantly changing and that's not a good feeling. Markets go down at them and when they do go down and sometimes you could chase all you want to. They're not there they're not there.

Adam: [00:56:09] But so that's another good point. So you're pretty we kind of touched on earlier how big your market is kind of when you see your mune to the market shifts. Oh yeah. It doesn't do anything to me. You've been consistent. Yes. Because after you got after you got your finally got started That's correct. Correct.

Mario: [00:56:27] Because if you have so many people that you sold to and usually those become sweet because what do they do they call you hey I want to sell my house and I want to buy new. So that becomes you know you make money and you make money on on on on on the sell. But in all markets if you have so many people that basically go to you when they need real estate needs is slow. People are still getting married. People are still getting promotion. People still get it. OK. So my house is correct.

Mario: [00:56:58] People you buy houses and you know if you're established you still get a big chunk of that. And in any market you should still get enough of a chunk where it still keeps you busy.

Adam: [00:57:10] That's awesome.

Mario: [00:57:11] Unless you're chasing unless you're chasing your and then that's also another thing is it's not what you make it's what you keep correct. And then you keep ninety nine percent of your money.

Mario: [00:57:21] A lot of expenses because their agents spend thousands of hours a month marketing a day and then you've got to feed your team and you've got to feed an image and you have to more and more get more space. And you know it's it's it's not what you earn is what you keep what you keep man.

Adam: [00:57:38] And that's pretty high right. Yeah. That's awesome. You want to tell them what you did in the past 12 months. Can you tell me what you see I am sure you know you guys what does it. I think it's last year you did almost \$220,000 in Gross Commission Income and you kept almost all of it for no marketing expenses yes no marketing no team no no. You know it's crazy what we see it all the time in the office as people make more money their expenses spend more spend more and that's just that's amazing man. Well bro that's been an amazing interview. We got a bunch of gold do. I really appreciate you coming in to be on the first episode Mr. Mario.

Mario: [00:58:17] Pleasure bro. Thank you.