

Introduction: Welcome to the REI Diamonds Show with Dan Breslin. Your source for real estate investment jewels of wisdom.

[upbeat music playing]

Dan Breslin: Welcome to the REI Diamond Show. I am your host Dan Breslin and this is episode one hundred and eighty, "How to make three hundred thousand dollars per year investing in mobile homes with no money down" If you are in the building wealth through real estate investing, you are in the right place. My goal is to identify high-caliber real estate investors and other industry service providers. Invite them onto the show, and then draw out the jewels of wisdom. Those tactics, mindsets, and methods used to create millions of dollars and more in the business of Real Estate.

Dan: Today, I am here with Jay Harvey from Trailer Cash Academy. I get it, many scoffed at the notion of investing in mobile homes, especially when those mobile homes are located within mobile home parks where the "owners" of the trailers do not actually own the land where they sit. Now, Jay focuses on exactly those deals and has discovered them to be a producer of quick chunks of cash and a niche with very little competition.

Dan: Our conversation ranges from finding the lowest risk opportunities anywhere in Real Estate, not just the trailers. Some of the reasons why if you are into mobile home investing you should run from certain deals. Now, Jay has closed more than four hundred transactions himself and he has helped more than eight hundred students go out and close their first trailer transaction. Please enjoy. All right, welcome to the REI Diamond Show, Jay Harvey. How are you doing today?

Jay Harvey: Man, I am doing well. Thank you for having me.

Dan: Nice. So it is like that of winter here in Chicago in December. It will probably be January when the listeners first have a chance to hear our conversation today. Just to memorialize it. It is snowing out the window, but wherein the U.S. do you record from and what is going on there right now, Jay?

Jay: [inaudible] to hear about the snow you have and I am actually [inaudible]. It is actually a really nice day outside right now.

Dan: Nice. Have you always been there or did you migrate there on purpose?

Jay: My wife and I moved here from Phoenix Arizona little over a year and a half ago. It has been great man, I am originally from Indiana, Gary Indiana. But obviously, with the snow and everything like that it is just not my cup of tea anymore. I am more of a West Coast guy so that is where I am at right now.

Dan: Nice. I have kind of said it in my mind to like the winter this year. I migrated from Philly to Chicago to be near my daughter originally. And Chicago and Gary have pretty much. I can see Gary almost out the window here across the lake. We have almost the same weather. A lot of

people including myself in the past would complain about how cold it gets in the wintertime. And one of my mentors told me, "You are not a tree; move if it is an issue". [laughs]

Dan: Anyway, enough about the weather enough about the locales. So let us start with the origination story Jay. How did you begin investing in mobile homes?

Jay: My wife and I did the whole nine to five thing. And we drink the Kool-Aid and we reached a point where we were both, right? What are we doing with our lives? So unfulfilled we felt like there was just something more we had to give the world. So we actually ended up going to one of the Rich Dad Poor Dad events after we had tried a bunch of things together.

Jay: We tried personal training together, selling those crazy wraps bib[?]. Even in the photography business and we thought that real estate was the best option. So after going to that event we were like, "Hey! we ready to dive in". My wife and I were action takers. So that is what we did. We dove right into real estate and unfortunately, things did not go our way right off the gate.

Jay: We lost about ninety thousand dollars on our first couple of deals. The first deal was one of the Shady mentors took about 30 grand from. On our second deal, we were in a burned-out home. This home had no roof. No doors. No windows. We decided to still go inside and it anyway and sixty grand was the investment to that home and took us over 15 months just to get that money back returned by investment. So we are broke. We are out of cash, we were like, "Hey! we still have to continue to push forward because we can continue to sit here and just smoke[?], and talk about all the negatives going on or we can learn our way out of it.

Jay: I was actually invited to a conference where there was an older gentleman talking about mobile home investing. He said he was doing about fifty to sixty thousand dollars a month. He was only using four to ten thousand dollars of his own money and he explained the whole concept of mobile home investment and he said, "Hey if you guys are newer and the real estate niche and you are skipping over this opportunity, you are doing yourself a disservice". This guy is like 85 years old. I am like if he is this old. He is making this much money. I know I can.

Jay: So I ran home, told Samir that information. At first, she was like hell no mobile home trailer trash. I just do not see that helping us get out of this hole; got a lot of debt, wasting your time. But luckily she was able to actually listen. We were able to take a bunch of time. Learn about not just the opportunity with mobile home investing but the affordable housing crisis going on in America and why the demand is so high and long story short up to this date. We have been able to hold over four hundred mobile homes transaction and helped over eight hundred students get involved in mobile home investing so they can help others find affordable homes as well.

Dan: Nice, so you brought something up which was kind of a side note and tangent, but I think if anybody was listening who is kind of like new in the business right now. And we get a lot of people on our show who listening for the experience right? We focus on a lot of high-level quick, numbers this strategy that and it is definitely not like your toward the newer investor, but the new investors slow turn in and learns a lot here on the show. And one of the things that took me years to figure out and something that you probably figured out on that burnout is like, selection of the

early deals in your experience.

Dan: If there is one word I would give to a friend or family member who was brand new in the business knowing what I know now; I would say "be very careful with the first house. You are going to go out by fix and sell", right? So they taking your first rehab or even first couple rehabs regardless of what we see on HDTV about this huge hole gut renovation anything.

Dan: Like you are going to pick something that is more of like paint and carpet. The kind to dip your toe in the water unless you are already running a contracting business and you are well aware of the cost. I lost one hundred thousand dollars on a recent deal and it was the same kind of a thing. We kind of got in too much. It went on for the same 15 month time period that you were talking about there Jay. And we did not know it was going to call so much construction and the contractor took us for a ride. And this is on the heels of me, we did 260 deals so far this year. So I am experienced and I got caught my ass handed to me on that deal for that one hundred K and it was like within the last two years. Luckily most of our deals, we actually make a profit but the selection of the first deal with an eye toward the risk and the construction size of the deal is going to be a huge risk. I mean you would probably agree with me there right Jay.

Jay: Absolutely. You are really just doing some due diligence. I know a lot of people there just eager to get started and you are just trying to take action because if you hear what everybody says, to take action if you just stand on the sidelines, you are not making moves but doing the proper due diligence. It is so vital, instead of just going into anything that you see first come first serve mentality has that is not the way you want to do.

Dan: And in the beginning, I do not know. I mean, I am sure you relate we do not have to spend too much time on it. But I remember the deals were just so rare. I was on the wholesalers' email list. I tried to go on the MLS and find a deal. It is like you can barely even find a deal that needs renovation at a reasonable price. And the first time you see something, maybe that needs a ton of renovation. It looks super cheap. Sometimes that can be blinding for the newer experienced investor. I know investors who have been into business for eight, nine, ten, fifteen years and they do a deal just like the one you described. So it is not necessary, strict for the newcomer to take an unreasonable risk. But anyway while we are on the risk topic here Jay, let us do a transition.

Dan: So you put sixty G's and construction into this burned-out shell. You take this risk. We do not have to talk about whether you made money lost money. You obviously did not find your path in doing deals in that method; risking that kind of money and you hear this 85-year-old gentleman tell you about four thousand dollars of his own money per month and he is bringing in fifty to sixty thousand. So I am doing the math and say okay, I risk four thousand dollars and make fifty, or I risk sixty in fifteen months and you can see where I am going with that. But can you talk about how you may be recognized that risk? And then exactly what the four thousand dollars is invested in each month as kind of a segue into the mobile home Investments business?

Jay: For sure. So the great thing about mobile home investing and what I learned from him is really most of the deals he was doing at the time and how he was able to scale up is focusing on the no money strategy. We are talking about whole selling. We are talking about brokering homes. However, there are some times where you are going in and you are fixing flipping these

homes.

Jay: So when he talked about the four thousand dollars that he used, he talking about the four thousand dollars to acquire the property as well as fix them up. When it comes to risk, the only thing that you are risking when you are doing the no money strategies. Of course, you just risking your time. We do not have a lot of money involved no money involved in those. That is perfect, especially for the newcomer. But you could risk a lot of time-wasting your time with the wrong sellers or tire kickers with buyers. In terms of fix and flipping, however, and buying holding there is a ton of risk you take on.

Jay: For most of the homes that we purchase, we are purchasing these homes for way under ten thousand dollars usually under five thousand dollars. And because these are not single-family homes. We do not need to bring these home to the HDTV standard you were talking about. What we were mainly doing is just focusing on the cosmetic issues then our buyer is coming in fixing up the home to their standard. However, there are some risks if you do not really know what you are doing. If you do not have a proper idea of what your buyers want and need you to take on the risk of holding on to that home.

Jay: While you have that home, fix and flip those holes; you are responsible for the lot rent. Also, with a handyman, if you do not really properly bet them out on one of your first few deals, you could risk getting screwed by a couple of handymen paying way more money than you have to pay. Also, of course, is your time. We see a lot of new mobile home investors even some individuals that have to flip some single-family homes going to the side of the mobile home and waste just a lot of time fixing up the home and then having to just sit there and wait on the market. Because they did not necessarily bed out the park or the home itself. And then the last thing is just you risk your names because the mobile home investing is smaller. Your name gets around really quick. So if you are doing things, you do not know what you are doing, especially with these Park Managers that are vital to your success and they see that and that home is just sitting there, you risk jeopardizing some crucial relationship you need to get more homes in your portfolio.

Dan: Nice, can we go through an example of maybe a recent deal where we talked about how much to acquire? How much end up maybe your cleanup was? And then like what was your selling strategy to somebody pay cash? or did you end up holding paper on that? What were the particulars of a recent deal Jay?

Jay: Yeah, I will just talk about the recent deal. One of our students just did this actually just happened. He closed it out yesterday. He was in this deal for a total of five days from beginning to end. He found this home. That is a one-bedroom one-bathroom Park Model Home. He got inside of it for three thousand dollars to the seller. This is in a fifty five plus Community as sellers parents. It was one of them they moved out and the other one had recently just passed away. So the one that moved out with moving in to stay with her and she said: "Okay, I got to get this out of my name. I just can't afford it anymore". The home was in great condition. It was in a great park and her main thing is just getting herself out of that. Getting her parents out of that lot. Our student ended up cashing her out at three thousand dollars and the home was in great condition. A lot of the buyers that we had coming in. They were like, hey, I want to buy this

home, but I want to move it to my own park. I want to move it out of that park because I am getting it but for such a low price.

Jay: What the student ended up doing actually did the park a favor. He actually decided to sell the home to the community. The home stays in the community and he ended up selling at home for twenty thousand dollars. And end up making seventeen thousand dollars and just about five days in and out and the cool thing is, you did not have to put any money into the repairs or any lot rent. That three thousand dollars, it just really went to cash out the seller. He was able to pocket seventeen grand and the park ended up being able to keep that home in their community.

Dan: How much was the lot rent there? And could you define lot rent and kind of the context?

Jay: So the lot rent in that Community is six hundred fifty dollars a lot of rent. It is pretty much the cost you pay for your home sitting on that individual's land. So the individual that owns that land is usually the park owner. They own the land. All they care about is the lot rents coming in each and every month. They do not necessarily want to have to do anything with the home. As long as you have a home in any type of mobile home Community, you are going to be responsible for paying some type a lot of rent.

Jay: Usually most of the countries, the lot went can be as low as two hundred dollars. We have seen lot rents go all the way up to closer to fifteen hundred dollars. That is pretty much what lot rented in a mobile home community.

Dan: Yeah, and we do deals only when there is a fee simple interest and we have a mobile home. So in Atlanta, there is a pretty decent number of outlying mobile homes on land that is owned by the seller, and a lot of times the land is not really valuable enough where someone is going to build new construction. But there is a vibrant market for these mobile homes and they own the land. And those lots with the mobile home right for us, it is more of a real estate transaction. It sounds like Jay on this one than it is about the home itself where you have the lot rent.

Dan: But we will sell those anywhere from, Thirty, thirty-five, forty-five thousand depending on the condition and the age of the home. All the way up to close like eighty, ninety, a hundred thousand on the high-ends; that is pretty rare. I mean we got to be like Lakefront mobile home, to get close to a hundred thousand. But people love them. They snap them up. They are very affordable houses.

Dan: What year was this one in the example that you gave? Can we get an idea of how old the home itself was?

Jay: That home with actually a 2005 home. It was not, necessarily brand-new was not too old. That was 2005 and the crazy thing is as long as the home is in good condition, inside of these communities at that Community the three to a four-star rating, homes can be built in the 80s. We have seen some double wise still sell, even though they technically depreciate in value which means you still see these homes sell for thirty, forty and fifty thousand dollars. Depending on the condition and the type of park it is in.

Dan: Would this student have had the option to sell this for more money if he were willing or she was willing? I do not know if it was a guy necessarily, but to sell it for more money on terms, two hundred eighty dollars a month or something like that.

Jay: Absolutely. He weighed out that option because he was brand new. He was like, "Hey, I am trying to build a business. I am really focused on driving revenue". The other options that he was looking at; I think he was looking at selling it on payments for closer to Twenty-Eight, twenty-nine thousand. He was going to be cash flowing somewhere between three hundred to three hundred and seventy-five dollars per month and he was going to be charging I think somewhere between eight to nine percent interest on that as well.

Dan: Yeah, and some of the risks with taking the payments over the cash now. And I probably would have made the decision that our student did on this one. Personally looking at the risk, if the payments go bad suddenly I am kind of in the balance to pay that six hundred fifty dollars.

Dan: How long does it take to unwind a payments deal, Jay? Is it a two, three-month process or could I be like held up for a year trying to get this bad[?], you know what I mean?

Jay: So typically in mobile home parks, the eviction process is pretty standard; very similar to apartments or a single-family home. It could take you a solid 60 days to fully go through that process. He was thinking about that. He was thinking about hey do I really want to deal with that? Even though this is a really good Community, I am in this home for three thousand dollars. Yeah. I know I can get a three thousand dollars down payment. I am all-in, with three thousand dollars I am going to cash flow.

Jay: I do not have to be in the negative. This is great. However, I have a new business. I need revenue. I have marketing and operations costs. He had a small team on his hand as well. So definitely to eat and he just made that decision the cash-out. Like you said I would have done the same thing.

Dan: Especially with COVID, eviction freezes all a sudden you are going into the core, it could be like a very uncertain process in our current economic environment. That's for sure.

Jay: Exactly.

Dan: Cool! So let us talk about some red flags to show up on deals. Jay, if a student or you or you are looking at a park or a home what are some things that fall into those five or six risks that you were talking about that you would run away and say no deal for.

Jay: I thought one of the first things I lot of students found this out. The hard way is you go inside of a community you get a deal done, but you never really bet out the Park Manager and sometimes Park Manager, they are not investor-friendly. So what they do is you will have a deal, you will have it ready to go. But by the time you sell it, they will make it extremely hard for your buyers to get approved to live in the community that actually happened to us a little over two years ago.

Jay: Where a home we thought we were going to sell in six days actually took us six months because they were very very stern and strict on who they brought in. They really were not trying to have let us get in and get out. They knew what we were doing and they did not like that too much.

Jay: Another red flag is a handyman. If you are not properly vetting a handyman when you are doing these Fix and Flip and buying homes. If you are not vetting them out once sometimes it is taking way more time than they originally promised you. Two, sometimes they drag it out so that they are getting paid more. So you end up losing a lot of time and money. If you are not going through the proper vetting process.

Jay: Another thing is just not knowing your demand. So you must have a really good home. You got a double wise 1995. You got it for under five thousand dollars. You are like, "Man, this is a really good deal." However, this is in a fifty five plus Park Community. That means that anybody living in the community has to be fifty five years or older and you did not think about that and you put the home on the market. Now it is taking you extra time to sell that same home that could have sold in two weeks. Maybe three weeks in a family park. It might take you two to three months because there are so much more individuals that are looking for those fifty five plus homes. This is more supply out there, a little bit low on demand.

Jay: And then the last thing is just not doing your due diligence as far as just really understanding who your buyers are and what they need. Sometimes you see that first deal just like we talked about earlier and you see it. I gotta get on that, and you end up spending way too much money on the home by the time you sell it you end up sometimes breaking even or just not making as much as you initially thought. So I think those are the main red squares I would say.

Dan: Nice, so let us talk about mobile home investment markets. First, we will talk about location. And then maybe we will talk about the van too. So like as far as location, what states are you currently doing business? How are you may be finding these mobile home parks? Are there states in the U.S. that you are not finding very many parks to do business in? Or other states may be on the flip side that is like very favorable and seem to have a lot of mobile homes or a larger market, let' u say

Jay: We have seen a lot of success from us as well as our students and the Southeast territory. We are talking like, Florida, Georgia, North Carolina South Carolina all throughout the Midwest. Some of our favorite states to invest in is Indiana as well as Michigan. And then on the East Coast, we have seen, obviously, in New York, Rhode Island think States like that. There are not many opportunities. You have to go somewhere like Connecticut or New Jersey, but in South West Nevada, New Mexico, Texas, and out on the West Coast, California, we have seen a ton of opportunity. And I will say, in places like Los Angeles or even near closer to San Francisco you are going to see a lot of those mobile homes that are going for, six sometimes even seven figures we have seen million dollar mobile homes for sale in L.A.

Jay: However, I will say that, when you look at those homes, that is a million-dollar mobile home; you will all see single-family homes going for ten, fifteen, twenty million dollars now. Yes, that price is higher we are talking about it. That price is very high. But in the big scheme of

things, it is still affordable to what else is on the market when you talk about the single-family home. I will say in those markets, most of our students are working on broker-type deals or wholesale deals.

Jay: We are still finding buyers, there still a need for those homes, there is still a demand for those homes; it is just now they are not as quick. We usually have to get that buyer some sort of financing set up. So students are still able to do deals, but that the hottest Market that we have seen are in the states of Texas, Arizona, Georgia, Florida, Virginia, Indiana, Illinois, and I would have to say Mississippi, Louisiana, and Tennessee those are the states by far.

Dan: Nice! And as we talk about demand, is there a way for students maybe they are in these locations. I assumed you would kind of have to go out there and look at these properties yourself. Can you do these virtual or is it best to do this in the market where you are located?

Jay: That is a really great question. You can do these deals virtually. We say do the deal yourself first and foremost go through it a couple of times from beginning to end so that when you are; bringing on help whether you are hiring on some type of a contractor that you are working with or you are going to be [inaudible] with an individual that you know in that network. Make sure you understand the process is yourself.

Jay: We always say when you are looking to partner, it is going better if you are part of some type of networking group where you have seen people that understand the same blueprint that you are learning. I think I lost the question there. But what I am trying to say is make sure when you are doing the deals virtually, you actually understand what you are doing and that person has some type of idea of what blueprint you are talking about. Make sure you guys understand the same thing from beginning to end extra strategy to extra strategy for both of those.

Dan: It sounds like as far as the virtual, you still probably want somebody who can physically walk on to the park walks around the park-like we are not doing this with Google Earth and hey send me some photos kind of a deal with the soul.

Jay: No.

Dan: Got it!

Jay: What we call this having somebody that is a boot on the ground. A lot of our deals were doing virtually but you want to have somebody usually somebody that is newer similar to a bird-dog and real estate; somebody that is hungry out in the field that you can kind of help coordinate either over the phone or over Zoom or something like that. You really the boots on the ground to do all the groundwork.

Dan: That makes sense. And then as far as the question was my fault. I went into different directions there and brought up this virtual thing I wanted to know about. The demands, how do we write? I am an Illinois man in Chicago. How do I identify maybe the counties in Illinois where the market exists or maybe I am looking for the demand or maybe I have to find out where the parks are first and then I can mark it. [inaudible] Park owners and then figure out demand on

a specific Park, so there might be a couple of questions there too.

Jay: Great question. So one of the first things that we have all of our students do is there is a site out there. It is called MH Village. So MH village.com is the largest Online Marketplace for buying and selling mobile homes. So the great thing about MH Village is you can find all the parks around you in your state in your actual city. You can even filter it all the way down to your ZIP code.

Jay: So we start there, gather up a list, create some type of list so you know exactly where the parks are. And as far as demand, what we always say to do is just test. We like to utilize Facebook and Facebook Marketplace. We would like to just take homes on a double-wide built in the 80s, a double-wide built in the 90s; test it out, and put it in the market. Take a picture of a home in a mobile home park to be found in that list and just test it output it on the market. Put it at a price point that you saw that homes are selling for on MH Village. Maybe go a little bit lower a little bit higher while you are testing, just to figure out what the demand is.

Jay: If you are getting a lot of responses on Facebook Marketplace or an app like Offer Up something like that. If their demands are getting a lot of hits, people will quote about the home. That means yeah chances are once you actually find that real home. You are going to be able to sell it pretty quick.

Dan: So we are running a phantom ad there. It is not a home. We have another contract. We are just kind of like putting out to the marketplace to see what we got. I assume we may be put like, 1 x x x instead of 1927 like what they have in the actual MH village.com ad right?

Jay: Exactly! the Phantom ad, helped a ton just to understand what your buyers want, and then it helps you be able to recognize the deal. So when you are driving at parks and just say one of the lowest hanging fruit to driving for dollars. A lot of those people in the communities. They only put that sign in the window. They are not marketing it any type of another way. So when you go and get that home under contract you, already have an idea if that home can sell fast or not because you have done a lot of testing before then.

Dan: What is the average or maybe ideal size as far as the number of homes in a park? And how would you figure that out so that, you are not wasting your time? I mean if I am going through a park Jay and there are like seventeen homes on one acre. I am feeling like that is obviously less opportunity in three hundred fifty homes. But what are those numbers look like as far as Market size when you are selecting a park to work?

Jay: Really great question. So we have seen in most of the parks that we work in the three-star on the 4 stars in the five-star communities. Usually, there are at least a hundred lots in there. We have seen some lots as big as, one thousand one hundred ten different lots in the mobile home park. The smaller communities the one-star the to Star communities we have seen those communities have taken, the 50 the 17 the 25 or 30 types of a different home. So it is not necessarily the size of the community; it is more so from what we see the demand that comes down to the location of that Community. What are the amenities in that Community? What is that safety rating looking like? What is the upkeep of the park? How is that park manager

relationship with the actual tenants that live in there? So those are a few factors.

Jay: I will say if you are finding communities and let us just say you found a community that does not have a whole lot; it might have fifty or so. Drive that community yourself, just to see what it looks like. Does it look safe? Is it close to highways? Is it close to shopping? Is it close to schools? Does it have amenities? Does it have a pool? Does it have a playground? Check those things out because most of our buyers that we work with do not necessarily care about the size of the mobile home park they care about what is in it for them feature-wise outside of their home?

Dan: Let us say we have a student of yours. I'll play like I am going to be your student, Jay. I want to make two hundred and fifty thousand dollars a year and that would be after I spend the four grand a month. So, I am going to have to net or bring in Gross probably three hundred thousand dollars a year. What would I need to bring to the table as far as seed Capital if I came to the table right now Jay and how far of a radius would I expect to have to work maybe a number of parks? Maybe not. Maybe it is a two-hour drive from Chicago. Maybe it is a lot less than that. But like what expectations realistically or can it not be done? Is it not really a reasonable goal to ask in the first place?

Jay: No, it is a reasonable goal. We have had students doing that. We have students doing that right now. It is pretty high for a newbie. But I will say it can be done as far as seed Capital surprisingly. When I say this, you might not believe me, but you do not need much more than about fifteen grand to hit that type of goal. Because what we teach our students to do is to focus on scaling the whole no-money strategy. There is a lot of opportunities regardless if individuals are standing in that retail market or be able to snag it at a wholesale price.

Jay: So as long as your focus on "No Strategy", you can hit that goal and you can start this business with \$15,000 a minimum or a little bit less and still be able to hit that big goal for yourself. It is just more so about you making sure that you understand your market. Understand what systems and processes are needed and then how to properly get delegate and automate different tasks within your business. But it can be done. You do not need much to do it. Because again, we are not necessarily focused on fixing and flipping, and buying; those are options that we can do but what we have been able to do in scale consistently hit six figures is focusing on the "No Money Strategies".

Dan: Yeah, and I mean one of the buttons I will put on that too. And I have also learned so that deal that I shared early in the episode where we lost a hundred G's. It was like a hundred thousand five hundred and something dollars that we ended up losing on that one.

Dan: That is a big number! [laughs]. Anyway, one of the lessons it came from is oh man, money loves speed you got to get in, you got to get out of the deal. So if you are fixing and flipping houses, like you better be damn good at it to get that thing done thirty, sixty days get out of it quick. Big huge projects, that is not my strong suit personally, like I now stay away from it intentionally. Any rehab project that is going to need drawings approvals from zoning, zoning changes, like we are not doing second-story additions all this like the HGTV kind of stuff. We are doing like kitchens-bathrooms getting out there and moving.

Dan: And ideally like, a house that I can do either a kitchen or either a bathroom or paint carpet it and kind of like a light reno even better. But what you are talking about too is the money loves speed philosophy we talk about here on the show a lot. It actually applies when you are talking about this no money strategy because you are compressing the timeline.

Dan: I hear the stories and examples you have talked about already Jay, where you like, "Yeah, they do not have one or five days, the handyman is dragging me out by days and days and days", and like I made the connection right to connect the dots of. It is a lot of rent at two-fifty a month or six-fifty a month. That is a big risk that is chopping it down to play against time and focusing on the no money strategy and not getting caught up in paint and carpet doing like, more rehab than is necessary and instead focusing on getting in and out of a business quickly. And being highly transactional makes this business an attractive proposition.

Jay: Exactly! When we first started, my wife and I, we are in a plan that buying the whole game. We were doing the fix and flips but like you mentioned earlier it just taken on a lot of risks and jeopardizing a lot of time we were saying for every Fix and Flip that we do we can actually close five to six no money deals for every Fix and Flip. So it is as soon as we saw that we started to look at the numbers. We were saying like, "Hey if we want to consistently do six figures, we got to do what works and start focusing more". It is easier said than done again; I stress having the right systems and processes and play but when you have those things a lot of people think we have to fix and flip my way up to that number that you talked about earlier and that is not always true. It is just what I was trying to say.

Dan: And it is this three hundred thousand dollar a year example, give or take. It could be a little, less could be a little more. It is a life-changing number for a lot of people. I know it was for me. What size is the team? What is the team look like for one of your students? How many, people are there? What are they doing? And what is the radius or number of markets that they are actually in? Are they in like four or five different states doing, kind of a big thing, or they or they able to drive down in a near localized market and kind of be the king of the mobile home investing strategy where they are located.

Jay: For most of the students that are hitting those numbers. They are really taking over one state. What they are really focused on one. They have to have a person that is good at marketing. What we like to teach is hey is when you are ready to scale and you are trying to hit those type of numbers you need to be focused on SEO optimization with your website making sure you have direct mails so they have a team in place just taken care of their marketing and not necessarily doing it themselves. They also have one or two boots on the ground for people that are out there just hungry looking for deals. They can get those deals done.

Jay: They have a mobile notary on their teams and they are not having to have their team meet with the seller or buyer and like a bank or something like that. It is slowing down the time just by having a mobile notary on their team. And then, just having a team on your side like Pat Lodge somebody that can actually take these calls get all the information that they need, and then having your assistant usually somebody from the Philippines able to follow up with them set up those appointments.

Jay: So that your boots on the ground can do whatever they need to do to get the deal done. When you have that mobile notary, you are good to go. You have your marketing specialist constantly feeding you New Leads. That is really all you need to get going. You can do this in one state as long as that state, have a decent amount of mobile home park and opportunities.

Dan: Gotcha! Are the boots on the ground. Are they typically driving like we were up in Northwest Indiana and Gary Right? Are they going down to like, Indianapolis on certain deals or are they be able to stay in that corner where they do not have to drive for more than an hour?

Jay: Stay in that corner there where they are not having to drive more than maybe an hour. Usually those individuals are open to driving. So, we have seen some, end up driving up to two hours, if it is the right opportunity so usually those individuals are the ones that ready to go, they do not mind as long as the opportunity is there for them to make some money and they may have to generate the lead themselves. They go the extra mile to get that deal done.

Dan: And that is kind of the way our business works too. It is like when you are rehabbing a house and we have done rehabs that are two hours away, but the lower rehab where it is like clean out a pink carpet kind of a thing. That is two hours away. Like it will do that. Oh by it two hours away and just resell it. Like, will do that too. But if we are doing like the full-fledged rehab we want to be our radius is much more strict as a less transactional than our deal is right? When it starts to no money down and it is a buy and sell like you are talking about; but when we are rehabbing houses, the radius is much smaller than we can perform at the high level. That we need to quickly get in and out of the project back on the market and sold versus, the further the radius out is for me the more it has to be that as you call it the "no money down" or the "no money deal strategy" where it is strictly transactional. So that is cool. That is good to know.

Jay: I appreciate it.

Dan: Nice, that is cool. I had that as a question which we answered. Let us talk about the best deal you have ever done or maybe seen done Jay?

Jay: The best deal I have ever done myself. This was early on in our careers. We ended up getting a free home. This was a free home from a seller. It was another individual, their mother had passed away. They did not know how to sell the home. They were just trying to get in and get out. They actually had to get back to Michigan, the deal was done in Phoenix and he had to get back to Michigan within a like a really specified time to get back to work.

Jay: So they got us the home so they did not have to do anything with the park, finding a buyer getting them all qualified. They just do not want anything to do with that. We are like, are you sure? Are you sure you want to do this now? They were like, "Yes, please just take it this away". We got the title to the home.

Jay: We ended up selling that double-wide in less than a week for Thirty-five thousand Dollars. Thirty-five thousand Dollars less than a week. And the cool thing was the buyer that we had, they were already living in the community. They were just living in a smaller single-wide home and they were already looking for a home, a double-wide home in the community. They were

looking at another home in that Park and we were able to get them a better deal with these homes for thirty-five Grand really really quick lessons every day. There was it was just too fast. It was our best deal to date so far.

Dan: Nice, obviously, you would recommend this strategy for people just getting started. Who else does it make sense for? Why do you recommend this strategy? I am so excited about and a lot of the reasons have already come out, but were you and Samir were early on you and your wife were early on where you are trying some different things. Like I went through the same thing and a lot of people I am sure to have and maybe someone's going through it right now and to be able to hit on that transactional thing, you would recommend this.

Dan: Are there any things we have not really touched on that you would tell somebody who is like, "yeah, it is just like you I do not know mobile home Investments, Jay, really? Well, it sounds like you are doing some things and why should just work for me?"

Jay: I would say this the main thing if I am putting myself in that person's shoes is, I am thinking about all the different seminars we went to. All the learning we did, and what real estate investing it can be kind of confusing. Just trying to pick out, which niche that you want to start in. I like mobile home investing because these deals are done so quickly we mentioned this earlier. You do not need a bunch of time. You do not need a bunch of resources. You just need to have the ability to learn and then apply what you learn.

Jay: The whole idea is to generating revenue as fast as possible so that you can level up to that next avenue within Real Estate Investing. So your goal might be to get to the commercial side. You might be to get to the apartment inside, a wholesale, and whatever that goal is no matter what you are still going to need to learn your way up to that point. Mobile home investing is going to be able to help you start to analyze deals use these real estate strategies that you are going to be using anyway to star on a smaller scale.

Jay: You are going to be able to build confidence within yourself so that you can build your business up and work your way towards whatever bigger goal than you have with real estate investing. Just gives everybody a shot to just build that confidence to close some deals and especially less than thirty days without needing a big team. I would say anybody can do it just about learning and then applying what you learned.

Dan: I am curious about your contacts may or may not have the background of additional markets meeting like you were wholesaling houses or you are buying renovated houses. But I am curious what your take is on the level of competition in this space, this niche of mobile home investing versus maybe other niches like, flipping houses or wholesaling houses or any of the other things that you might have tried.

Jay: Yeah, the cool thing is in this niche there is not a lot of competition. Even though I consider myself an expert at this point. It is still not a lot of people that know about it. I guarantee once this COVID situation is over and you guys are able to start going back to your real estate investing association meeting, you start telling everybody that you are a mobile home investor. That is still going to be a lot of people that look at you funny. It is going to be a lot of people that

laugh at you. There will be a lot of people that ask you, "What the hell are you doing in that niche has to waste your time".

Jay: Just to let you know, the level of knowledge, the level of opportunity here has an abundance of it that level of knowledge is an abundance of knowledge to be gained because there is a lot of people that are not taking advantage of this opportunity because they just do not know about it. We run into plenty of Real Estate Investors and Real Estate Agents that get these leads all the time. Just throwing them in the trash until we start to educate them on how they can actually turn these leads into cash and help them generate more marketing dollars, but for whatever business that they are in, there is a lot of opportunities here and a lot of people still do not know about this. I still feel like the new kid on the block in terms of real estate investment

Dan: And we have done a handful and we stay away from any of them that are in lots because for us it is like time-wise, we do not really have the time to do the due diligence on the park owner and kind of see if it works and figure out the man for the one-off that we get right Jay? Like in our business we get three thousand leads per year or more in all the markets, most of them are houses because that is what we focus on.

Dan: A couple of them sneak through from Park somehow and we just get bogged down trying to do business our way and it is not where we are focused. But anyway, some of the experience I have with these mobile home Investments. I knew a guy in back 2007. I got in the business and he wanted me to take over his portfolio of notes that he put together on his mobile home Investments and I went way down in Delaware to this different Park wherever it was.

Dan: And I remember meeting a seller or I am sorry. One of the homeowners right? She lived in a mobile home and she was almost filled with tears about I cannot even remember the guys' name but gave us the opportunity to own our home and we make our payments here. And this is ours and, it needed a lot of work when we moved in and we fix it up but we are really proud to live here. And I do not know whether they owned the land underneath. I do not think they did. I think it was more of the strategy that we have focused on here today. But the fulfillment side of the business for the people who are buying it, I imagine that is a huge satisfaction at the end of the day, right Jay?

Jay: Absolutely. That is the thing. A lot of people think that these people that live in these mobile homes are like trailer trash or and not going to make their payments. But at the end of the day, these people are hardworking people a lot of them simply just cannot afford single-family homes, or they are just trying to save some money up so that they can get into a single-family home. But these people have a lot of pride of ownership. They might not own the land underneath the home, but man, they are looking at this home is an opportunity for themselves to live the American dream.

Jay: They are not having to stay in an apartment. They do not have somebody above them or beneath them and a lot of them, take care of these homes. No different than somebody takes care of their, their single-family that stick Built Homes lot of people take pride in these homes, and he talked about the affordable housing crisis. We talked about it earlier. A lot of people are suffering from that. So when you are able to, prevent someone an opportunity for them and their

family to get out of an apartment or get off of the streets and actually have a home so that they can fulfill their dreams; It does something to you. Get to the point. It is not just about making more money. It is about how many more people can I help because the more I do this the more fulfilled I feel in my purpose and what I am doing.

Dan: Nice! So what books, do you recommend most often to people Jay?

Jay: The two books I recommend I would say the first one is Deals on Wheels with Lonnie Scruggs. That is a really good book when you are first starting out. And then the second one, I would say that is what really the one book that we read when we got started. There is another one called "Wobbly Boxes". I do not have the author on that one. But those are the two books that we read Deals on Wheels with Lonnie Scruggs and Wobbly Boxes. Deals on Wheels, you are not going to be able to find the hardcover on that one. Then I have to go to Google. There is a free pdf version on there now. They do not print those books anymore.

Dan: So this is the REI Diamond show my final question. The show is all about the jewels of wisdom. Those are the diamonds, right? So that said let us talk about the crown jewel of wisdom Jay. Is there one thing that you would share with your younger self or maybe one thing you wish you knew then that you know now?

Jay: Yeah, I would say the main thing I would tell my younger self is to continue to dream bigger, have a bigger vision, and not just focus on that day that you are looking at or that next week, that next month. I have a Grand Vision for your life set some big audacious goals because you would be surprised how fast you can actually get to these goals and actually achieve them once you have some type of navigation system versus just going each and every day. Seeing what you get.

Jay: Starting off, I would really say drive into your vision really focus on your strengths and understand your weaknesses start to attack those weaknesses each and every day so that you become more confident you are able to grow a lot faster to the journey.

Dan: Nice, how can listeners get more Jay Harvey or find out more about the trailer cash Academy.

Jay: I would say everything you need go to youtube.com backslash trailer cash Academy ton of free information on there. We have got hundreds of videos on there. We usually respond to those comments as well. We make it very personable. So youtube.com/trailercashacademy.

Dan: All right, sounds good. Hey, I got a couple of pages in those really cool topics. Love talking about something that. So first we've had on the show anybody who is doing it and doing it at a high level. So that is really cool. I appreciate you coming on the show Jay

Jay: And I appreciate you having me thank you so much.

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Catch you next time for that discussion?

Dan: Thank you for listening to this episode of the REI diamonds show with Dan Breslin to receive email notifications of new weekly episodes, sign up at www.reidiamonds.com.

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