

\$200,000+ In One Month! Dominick Felix & Gonzalo Corzo On Ho...

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SPEAKERS

Gonzalo Corzo, Dominick Felix, Steve Trang

S Steve Trang 00:00

If we can get you there just a little bit faster, and I did create a checklist for the perfect seller appointment. This is script that my team uses when we run our seller appointments, so if you're interested in purchasing it, please go to disruptors.com/checklist. And if you get value today, please tag a friend below, or share this episode right now that way we can all grow together. And this is a live show. So please ask your questions for Dominic and Gonzalo to answer. [Let's go] You guys ready? [We're ready, man.] All right, let's just jump right into it. So -- \$200,000 last month. What what How did this happen?

D Dominick Felix 00:19

Dude, it was a it was a super busy month. You know, G put it really, really cool recently, you know, through our growth pattern. I think last time we were here, we had just recently hit our first \$100,000 month. Yeah, you know, and it was epic. It was a big celebration, the team was all excited, we were super freakin excited. And we hit the \$100,000 month, right. And then the next month was just slightly under, then the next month was just slightly over. And then it got to the point where it was consistently over. And then consistently in the mid-\$100,000 range. As of late we've been in the Upper \$100,000 range. And then our first month over \$200,000 was last month; it was \$231,000. [Sweet] Which is super epic. And to think that that's just specifically just wholesaling deals. You know, we're not flipping; we're

not wholesaling. I think the last time I sent you a group of HUDs, there was one like retail listing in it, it was a brokerage related deal. But this was like really just wholesale -- there might have been a co-wholesale deal in there or something like that. But it's really all wholesale related. You know, it's our lane. But yeah, I mean, it's our lane. And we decided to just stick with it and not veer into other realms, not that there's anything wrong with that. But that's just what we're very fond of.

D

Dominick Felix 01:13

Yeah, you're gonna say, really intentional. So I think one of the things that, the reason why it's impressive, because I put in here like it's just one market. You know, and it's not that you guys aren't other markets, right? But you guys crushed it in just one market. And you know, we've had a lot of people come on the show, and they've hit some big, big numbers [right]. But usually it's around like six or seven markets. So to do that much in one market is really, really impressive. [Yeah.] What would you... I mean, it's been about a year since you guys were on the show. What would you guys attribute is the biggest thing that pushed you in that direction?

G

Gonzalo Corzo 02:24

So I would say, number one is growing our sales team, our acquisition team. And then number two is expanding our disposition team. Right. So the last time we were here, we had one disposition sales manager. And now we have two disposition sales managers. [Okay.] Last time we were here, we had three acquisition managers. Now we have four acquisition managers and a sales manager that we're currently training up the sales manager

S

Steve Trang 03:03

To manage the other four?

G

Gonzalo Corzo 03:04

To manage the other four.

S

Steve Trang 03:05

Gotcha. [Yeah.] Okay. So let's talk about the responsibilities, like what is that guy responsible for?

- G** Gonzalo Corzo 03:09
So it's funny because we...
- S** Steve Trang 03:11
Especially since it's a new role.
- G** Gonzalo Corzo 03:14
Yeah, it's a new role. So right now, they're kind of like a fifth acquisition manager. [Got it.] So right now, they're getting acclimated to our, our systems, our processes. They've been in sales for two decades. [Yeah.] But they're not in line with the real estate realm and wholesaling specific.
- S** Steve Trang 03:34
And this guy came from outside the industry. [Correct.] So I, I'm just curious, you know, if I was in your acquisition team, and you got you brought in someone outside [Yeah] to manage me, I might be like, dude, like, you just totally looked right past me [Yeah.] anyone outside? [Yeah.] Did you guys have that challenge? [We've had that challenge.]
- G** Gonzalo Corzo 03:53
We're going through right now.
- S** Steve Trang 03:54
So let's talk about it What's going on?
- G** Gonzalo Corzo 03:56
So the the reason why we brought them on, is because, and the reason why they're training right now as an acquisition manager, right? So right now, their goal is to hit the same numbers that our acquisition managers are expected to hit. So he's not doing any sales manager responsibilities at the moment.
- S** Steve Trang 04:14
Okay, so he's brought in to be the sales manager, but before he can officially take that

helm, he's got to prove himself, [Correct.] [Correct.] Gotcha.

G Gonzalo Corzo 04:22

And we do that, partly because we feel like he needs to get acclimated. But because we want the other guy's to have that sense of respect that we already feel is there on our minds, you know, but this... exactly what you're saying. They're like, dude, I've been here for six months, you know, a year. [Yeah.] And you know, why, why am I not becoming sales manager?

S Steve Trang 04:48

So what was the answer to that question, when they asked you that?

G Gonzalo Corzo 04:50

The answer is, you know, it's just because you're good at closing deals, doesn't mean you're good at getting other people to close deals. Right? And So we wanted to bring on somebody who has experienced coaching other sales people to reach their goals. Right? So this sales manager has been in Citi... Citibank. And one of the things that kind of sold me on him, was, he was responsible for coaching the, the retention sales callers. The bottom 20%, the people that were in 20 or below, it was his job to coach them to get them up on their numbers. [Gotcha.]

D Dominick Felix 05:36

To the other 80%

G Gonzalo Corzo 05:38

Yeah, yeah. And so we wanted to bring on somebody who, because we we've tried it in the past, having somebody who's in the industry, right, but they didn't have that managing experience. [Gotcha] And it's, it's tough to... When you're in that group, we all you know -- I'm saying we like I'm one of the acquisitionist, right? -- we all kind of started together, we're all in this together. And now I'm responsible for bitchin' you out, I don't know, over a customer or not. [Whatever] But you know, telling you, you're slacking. Right? And you're my boy. [Yeah] We've been, you know, chit chatting, and talking crap about the job, whatever. And now, I'm responsible for your numbers. So there was a challenge with that.

S

Steve Trang 06:26

Sure. And that makes total sense. Like, that's one, one thing we see a lot. We saw that in engineering, and we see in sales is like you take, you know, someone's a good engineer, and promote them a manager. Well, they were never a good manager. So now they're just a crappy manager. And you can't be using the engineering skills anymore. And it's the same thing with sales. Like you take a sales guy and put them in as the manager. Okay, now he's a crappy manager and now you're not getting sales output from him either. [Exactly.] So you guys already went through that hurdle once before?

G

Gonzalo Corzo 06:52

Yep. Awesome. So we're seeing that the way to go it's it might not be the best way. But it is the way that we're taking, is bringing somebody who has a crap ton of managing experience.

S

Steve Trang 07:06

Yeah, it makes total sense.

G

Gonzalo Corzo 07:07

And acclimating them to real estate wholesale. And that's why right now, they're just on the phones negotiating, you know, hit in the trenches, just like everybody on the sales floor. And we think it's working well, because everybody's excited when he's closing deals. Now, you know, he's got his properties under contract. And so everybody's kind of excited for him. And everybody, once broken down why he has the role, understands why he has the role got. And we've kind of painted it in a picture where if we all want to see the business get to where we're pitching you guys on where we want it to be, it's going to be with getting out of our comfort zone, and having people pull us up. And so the only way to do that is by bringing in individuals who have the skills that we don't want to take the time to learn.

S

Steve Trang 08:00

Yeah, absolutely makes total sense. So one of the biggest challenges we see consistently in our industry is finding and keeping the acquisition guy. So you went from three to four in the last... and since, we know, well, I didn't meet you, but so you guys are out here last, right? Is it the same three? Or did you replace some of that three...

D Dominick Felix 08:19
Different.

S Steve Trang 08:19
Different? [Yeah] Okay. So let's talk about that: How are you finding them, and how are you retaining them? So let's start with finding them. How are you guys finding these guys right now?

D Dominick Felix 08:28
So I think in most cases, it's relationships. It's through people we know. It's through networking, it's through groups. A couple... it's the funny thing is, two of our top sales guys... We don't do any coaching or anything, anything paid right now. We do a show, you know, every week, where we just want to stay relative to the community and talk about wholesaling because we like it, and it's fun. But prior to this, you know, over a year ago, we had a coaching group that we did for close to about a year. And then someone in that coaching group, who was just very fond of wholesaling, just always wanted to be in real estate, be a part of a team or whatever. And that individual, he's our top, within the last couple of months, he's been our top acquisition manager. He came and he joined the team. And then another individual that started a wholesaling company, didn't really get off on the right foot. But however, you know, from there, he went off on his own sales journey into other sales positions in other companies. Learned about our position and came to work for us just because he was just very fond of real estate and wholesaling and wanted to be a part of, you know, a group that's, you know, expanding. So those are our kind of our two top sales guys. And then the other individuals are people that know those guys, right? So we've done... we've, and then we do a lot of just organic interviewing and you know, Home Base and Monster and Zip Recruiter and all that stuff. But it just seems that the people that are truly have their hearts in real estate, specifically in wholesaling, we've done better with recruiting those. -- Sorry about that -- We've done better with recruiting people that want to be a part of it, truly a part of it, rather than people that have sales experience, but don't really know what real estate is. You know, I think they really like the idea of growing with a company and building something and being a part of real estate because real estate's really attractive.

S Steve Trang 10:33
So they already knew you, or knew about you guys, [correct] before they even applied.

D Dominick Felix 10:38
In most cases, yes.

S Steve Trang 10:40
Gotcha.

G Gonzalo Corzo 10:40
And one guy brought his brother. Right. So now his brother's an acquisition manager, he's doing awesome. And then part of the challenge is figuring something out for the acquisition managers, because they might feel like there's a... you know, you get... every single day you're getting No's, you're getting, you're getting strung along, deals fall through. So you're getting beat up every single day. Right, as an acquisition manager. Obviously, there's wins, but most of the time, we're just getting beat up. And so it's figuring out and painting the bigger picture on what can be next. Right? So for one of the guys, like we had to figure out, they became our field manager, right? Going out to the properties. He used to be an acquisition manager, now he's a field manager, right? Because he was getting to that point where, like, I've been closing for a year, you know, and I feel like I'm good at it. But I want to grow with the company, I want to do more, how do I? How can I add value to you guys, while still being a part of your group. And so we had to kind of rearrange the position. And now he's our, he's a field closer. So he goes out to the properties, takes the pictures, does the inspections, gets the contract signed in person. So it's also figuring stuff out when they're getting to that kind of cap of, Hey, I'm thinking, I'm getting tired of this job...

S Steve Trang 12:05
Getting a little burnt out.

G Gonzalo Corzo 12:06
I'm getting a little burnt out, you know, what, what is next for me? Or am I just gonna quit?

D Dominick Felix 12:12
What's interesting about what he's saying is that, you know, in some cases, these people have the essence of visionaries, right? Like, they want to grow in whatever position they are, whether whether they want to start something on their own, but if they decided to

work for us, now, they're working for us, they've been with us for a year or so they want to continue to grow. And you talked about a little bit when you're talking about the the sales manager position, they didn't get that, why didn't they get there? Why aren't they growing in those, you know, in that aspect of it. So they do want to grow, and we do continue to have to talk to them and, and instill faith in our process and where we're going. And part of what we have to tell them like is, listen, this is not the only sales manager position that there's going to be. Like, we want to build squadrons, and we want to go into more markets. And we want to grow this into being something terrific and great. So just because we implemented one leadership position, doesn't mean it's going to be the last leadership position, you know? Everyone's got to have patience, including us, because we've been eating shit for the last three years. And just because we're having great months right now, doesn't mean we're not reinvesting or not investing into leadership roles, marketing, new ideas, technology, new systems, things like that. Like, you know, wholesaling, people get into wholesaling because they want to build cash flow, they want money now. Right. But if you're building like a true business, you're investing real money into this stuff. It's not cheap.

S Steve Trang 13:37

No, it's not cheap at all. And I think that's, it's a very solid point, as far as the guys that are in this role tend to be entrepreneurial in nature. [Yes.] And that's been one of the biggest problems is, you know, I know, for me, in many, many years is, even on the traditional real estate side is you train somebody, you bring someone in, and you coach them up, and they're successful. And now they're like, Okay, thanks for everything. And then they go to compete against you. And there's nothing wrong with that, like you can't, [Right] Cuz you know, like, clip someone's wing, so you can't grow, right. But that's just the natural path, of a salesperson when they come in. And so, in fact, you guys met Max last time. [Yeah.] He was my inside sales agent, before he left and came back to partner.

G Gonzalo Corzo 14:20
Oh, that's awesome.

S Steve Trang 14:21
So that's just something that happens all the time. So...

G Gonzalo Corzo 14:26
the cool thing about what you're saying just I want to interject really quickly, because I

don't know if you've ever read a book called Good to Great by Jim Collins. [Yeah] So I'm reading it for the fourth time now.

S Steve Trang 14:36
It's an amazing book.

G Gonzalo Corzo 14:37
I just reread books that I'm very fond of pretty, pretty frequently. And they talk about like, if you're gonna train strong people in your company, then you have to train them up and be ready for them to move on. Like, you just have to expect for them to move on. Like they're either gonna grow with you or they're gonna reach their ceiling, and you have to be okay with them going elsewhere at some point in time. And that's some of the conversations we've had with people on our team like, Listen, if we can't build new positions quick enough for you to grow with us, we're totally okay. Just be straight up with us, talk to us. Let's just, exit strategy, be comfortable for everyone. Or stick around, and let's just work it out to to get you to where you need to be.

S Steve Trang 15:17
Yep. And I'm sure we're getting some questions here about how are you guys compensating your acquisition guys, because you know, there's all sorts of different compensation models.

D Dominick Felix 15:25
Yeah, we have a sick, sick plan.

G Gonzalo Corzo 15:27
We don't compensate them. That's why they're leaving no.

G Gonzalo Corzo 15:29
Yeah, no. So, so we give a base.

G Gonzalo Corzo 15:34
Yep, base...

D

Dominick Felix 15:35

We give a base. And then we also give a bonus. Right? So the base is, so we have a range that's in our minds is roughly between \$24,000 and \$36,000 a year base salary. Right. And then the bonuses between 5% and 7%. We have it tiered based on how well they do on the front end negotiation. Right. So if they do really well, they can get as good as a 7% bonus by the time it closes. And if they do just very close to the maximum we're about to pay, and we do get to close it, that'll be closer to 5% of a bonus. Right? So they're making between \$60,000, \$70,000 a year. You know, and if they're not hitting \$60,000, it's just very close to the \$60,000.

S

Steve Trang 16:19

Yeah, and one thing that I heard you mention, and reinvesting back into the business, you mentioned leadership, which is a topic I'm very passionate about. So what kind of leadership are you guys investing into? What programs are what are you guys looking into?

D

Dominick Felix 16:33

Cool. So sales manager is one of the firstly, oh, one of the leadership positions that we have. We also have an HR manager, accountant, individual. He's kind of an all encompassing, office support person. And then there's G and I, right. So one of the next things that we're looking at is an operations manager. And the way that we look at sales manager versus operation manager is pre-acquisition contract and post-acquisition contract, right? We just had, we've had long discussions, and it's kind of the way that we operate, right, there's like a clear divide of what happens before the acquisition contract. And what happens after the... after the acquisition contract. What we try to do in our company is, we try to, as soon as the deal is locked up and closed, and it's not perfect. But as soon as it's locked up in close with the acquisition list, we try to take it off their plate, so they can just deal with nothing with sales and new acquisitions. Right. So we have an acquisition support person, we call it a liaison. And then G is really kind of like an operations manager, to where he helps with taking that off of their plates, and really just pushing it over to the disposition side of the company. Right. So we have the sales manager for the acquisitionists, and one of the next leadership roles is probably going to be operations manager, which is gonna of kind be a sales manager for the disposition side of the business.

S Steve Trang 17:58
Yeah. Got it.

D Dominick Felix 17:59
If that makes sense.

S Steve Trang 17:59
So, you know, for people that are watching this show, yet, you know, both of you guys... who wears what hats, what are you guys responsible for?

D Dominick Felix 18:07
Gotcha. So so I'm the CEO and G is the president. G does a lot more of the operational side of the business, which is

G Gonzalo Corzo 18:16
G 2020.

D Dominick Felix 18:16
G 2020, Gonzalo. So he does a lot of the moving parts of both sales manager and operations manager. And, um, and I support backup for G, as well as project management. And we work together on big decisions for the company. [Yeah]

S Steve Trang 18:33
So he's handling operations and sales. [Yep.] You're managing...

D Dominick Felix 18:39
Don't get me in trouble, Steve, I don't do anything.

S Steve Trang 18:42
No no, you boss G around.

- G** Gonzalo Corzo 18:46
When, when it comes to negotiating the deals, and locking the deals up under contract, working with the sales, guys, that's what I do. So Dom works with the marketing side, and our company automations. We call him a project manager. In the world of real estate, people think of that as like a construction manager who goes to the projects. We don't do that. But the project manager just works on Podio, create pulling lists, skip tracing, creating different automations in the system, different workflows, and I know I might be getting a little technical, but, with Podio and, and different integrations with Zapier and GlobiFlow, automating the system basically. So Dom takes care of that end, takes care of hiring the virtual assistants, pulling lists, making sure we have a consistent lead flow, right. And then Dom also handles a bunch of the employee stuff, right.
- S** Steve Trang 19:49
Hiring...
- G** Gonzalo Corzo 19:50
Hiring, getting the employees in trouble, right, correcting them...
- S** Steve Trang 19:56
Documenting with write ups.
- G** Gonzalo Corzo 19:57
Yeah, good cop, bad cop, right?
- D** Dominick Felix 20:00
And a lot of backup for G, because like, on the sales side of it, like it can become pretty overwhelming, especially like we're aspiring to scale. We're doing a lot of transactions. I think we did 21 last month, but 21 means that you might have started with trying to do 30 to 35, 35 to 38, or whatever. And not all of them work out, right? So there's just a lot of moving parts and a lot of activity, right. So he'll be over helping someone; someone else needs assistance, and I'm backup for that as well.
- S** Steve Trang 20:30

Gotcha. Okay, so the other thing you mentioned was that you're, you went from one disposition to two disposition people. [Yeah.] How has that helped you?

G

Gonzalo Corzo 20:39

So that has helped us tremendously, especially during the COVID outbreak, right, because a lot of... our biggest issue during COVID was the buyers, right? Buyers stop buying. Buyers were backing out. Buyers were lowering the amount that they were offering. Buyers are no longer buying tenant-occupied properties. You know, a flipper in the past would -- he'd buy it, kick the tenant out, you know, whatever -- now they're like, I has to be vacant, I can't evict I don't know how long it's gonna be until I can evict or whatever. So it's been a struggle trying to, or at least it was, right, trying to position deals to investors. And we had a ton of buyers, but you get comfy working with the ones that you know. You know, this guy's gonna buy it, you know, let's send it to him. And so now when that... their usual buyers, you know, they're maybe paid, they would have maybe paid \$100,000 for this deal three months ago, now they're offering \$85,000. Yeah, you know, it takes a while before our acquisition adjustments kicked in, to you know, because we lowered the amount that we were locking deals up under contract, but that takes a while to kick in. You still have these 20 properties that you have under contract, what are we going to do? And so it's, it's worked awesome being able to be more proactive with dispositions right? Before we were a little more... mainly reactive, right? Because it was only one person, that's my wife. So she was...

S

Steve Trang 22:19

Couldn't yell at her.

G

Gonzalo Corzo 22:20

Yeah. Can't yell at her. And so she will... She's been with us since day one as dispositions, right. And she did disposition and transaction coordination. And then we have, now we have a transaction coordinator. And she's awesome. So she's allowed my wife to focus specifically on dispositions. But when you're trying to scale and grow, obviously, you get overwhelmed every single day. Because now, you know, you get a new deal. And in fact, like, they just messaged us, yesterday, or last week, we had 11, 12 properties under contract with disposition, right?

D

Dominick Felix 22:58

Yeah, yeah, within a week span, it was like 10 locked up on the disposition side, or 11, 10,

within like, three, a three day span.

G Gonzalo Corzo 23:06
Yeah. So in the last three days, we sent

D Dominick Felix 23:08
So those are going into escrow.

G Gonzalo Corzo 23:09
10 new properties to title.

S Steve Trang 23:10
So this disposition person, they're in charge of obviously, moving the properties. Are they also in charge of prospecting for buyers?

G Gonzalo Corzo 23:17
They are in charge of... [not really] not really.

S Steve Trang 23:21
OK so who's doing that?

G Gonzalo Corzo 23:22
So we were taking more of a reactive approach to prospecting for buyers. So we get a lot of influx. So whenever we get a deal under contract, we put it out everywhere, right? Social media,

D Dominick Felix 23:38
Tons of different websites, connected investors, bigger pockets, we cast a really big web. So it drives a lot of people to opt in to our list, right? So we're getting what, two or three a day? [Yeah] Two or three a day, new buyers. So we have thousands of buyers on our buyers list in our market, and we're getting two or three every single day that are opting in

to our list. And that doesn't include the people that see our deals that just call in that negotiate or whatever, you know, and then they continue to inquire and call them potentially, you know, buy that haven't opted in as well.



Steve Trang 24:11

Gotcha. And how are you guys finding your disposition person?



Gonzalo Corzo 24:15

Disposition person was another person that wanted to be in wholesaling. And



Dominick Felix 24:20

It's a funny story, by the way.



Gonzalo Corzo 24:21

Yeah, when we, when we were doing our, or when we were having our coaching, you know, we, we did free office visits. So that we would allow people to come into our office for free for like, a quick little 20 minute tour. We'd give them a little tour. And then we try to, you know, sell them, hey, if you want to learn more, come to our event or whatever, right? This was actually one of the persons that came in to do the tour. And they had come to do the tour probably a year before we hired them.



Dominick Felix 24:52

And then one thing I actually didn't remember is at the time -- his name is Charles, by the way, shout out to Charles -- when he did the tour, didn't remember this, and he told us this later after he hired us. He said, I told you man, what happens -- because he lives in Tennessee -- He's like, Hey, man, he goes, I'll just quit my job. I'm Jacksonville, I'll work for you guys right now. You know, would you guys take us on? And we weren't ready to take... We weren't hiring at that point. But it was flattering, you know? And it just so happens that X amount of months later, you know, we're hiring for a disposition agent. And he had already lived in Jacksonville. I guess he knew... You know, his wife had family out here in Jacksonville, you know, in Jacksonville and stuff like that. So they moved to Jacksonville, we were hiring, and he saw the post. So he came in for an interview.

S Steve Trang 25:35
That's awesome. So another question these guys must be asking is what... To get to \$200,000... You know, well, hey, I appreciate that you guys sent the, the HUD in a well packaged...

G Gonzalo Corzo 25:50
Oh, did it come through good for you?

S Steve Trang 25:51
In a, in a good Google Drive, where I can just click through the HUDs, I really appreciate that. Normally I just get an email and I have to kind of figure it all out. So I appreciated that. What, uh, what lead source has been most effective for you guys in Jacksonville.

D Dominick Felix 26:06
Hmm. Secrets, you guys are getting the secrets now.

G Gonzalo Corzo 26:09
We charge for this, bro.

S Steve Trang 26:10
So cold calling is just one of the major lead sources for cold calling. We're heavy on cold calling, you know. We've got about 11 agents. One of the things that we're looking at doing now is just picking up another four or five agents. Because now that we're going into another market, and we're starting to see success, and a clear path of how to succeed in that second market. Now, since we're in, and we're, we still see a lot of potential on undoing more in the market that we're in, by the way. Like we're not done with expanding inside of our market. There's a lot of things that we're going to just zero in on. But at the same time, we can expand as well. So when we go into the other market, and we've only pulled a small amount of data, there's so much more data that we can pull into that in that market so that we can start doing more sales. We're going to be able to expand now, we're gonna be able to hire more salespeople and build on the team.

D Dominick Felix 26:34

Where are you guys finding these agents?

G Gonzalo Corzo 27:05
Cold Calling?

S Steve Trang 27:05
Mm hmm

G Gonzalo Corzo 27:06
Dang, they want all the secrets?

D Dominick Felix 27:08
You know? Um,

G Gonzalo Corzo 27:09
It's interesting, it's interesting...

D Dominick Felix 27:11
Yeah. So basically, we do it organically. We mess it all Upwork here and there. We hadn't really had a ton of success with it. But really, we've had more success on Craigslist, right. But not only just Craigslist. It's Craigslist, in the countries that we target. And we mainly have been targeting like Central and South American countries. And we've had a good experience. A lot of people that live in Central and South America, they spend a good part of their lives in the US. You know, it's either they came over as kids, you know, after they were born, they weren't quite legal, they spent, you know, their grammar school time, middle school time in the US, and just moved back and whatever the case may be, however it worked out. I feel like half of our, of our agents have lived in the US for a good period of time. And the other ones that haven't, they just, they get our culture. They can talk, you know, it's not just that they've learned English, so they know how to speak it. It's they get how to have a conversation with an American. And that just seems to make a big difference for us, because we've had Philippine agents and agents from India and things like that, and we've had bad experiences. And and then, you know, maybe it was early on in our wholesale career? Maybe it's not because those countries don't work? It just, that's the path that led us to getting to the agents that we pick right now. And then now since

we're trying to aggressively add agents on, another four or five, you know, within the next few weeks, hopefully, we are we are going to put ads out into you know, Philippines and India, Pakistan, things like that, just to see if there's still hope for that side, just so we have, you know, an abundance of options. But we'll just have to see how that turns out.

S

Steve Trang 29:00

Yeah. I mean, I've kind of heard the same thing. Just it's hard in the Philippines to have that same track record, same consistent success. I'm hearing people like, from what it appears, Costa Rica seems to be like the most popular as far as finding you know, expats. What are you guys paying these people?

G

Gonzalo Corzo 29:18

The cold callers? So we're paying them anywhere between \$4 to \$7 an hour. Depending on number one, obviously, their skill set and their background, but also what they're used to getting paid. And then after a year, like because we have some people that have been with us, some cold callers that have been with us for over a year. So we've bumped them up on their on their wages and they also get...

D

Dominick Felix 29:46

And responsibilities.

G

Gonzalo Corzo 29:47

And they also get bonus. So depending on the amount of leads that they get, after every, every month, they have different tiers. So if they get X amount of leads, they qualify for first level incentive. Then if they get more more leads, and they get a second tier incentive. And so that's kind of how we're paying them anywhere between \$4 to \$7.

S

Steve Trang 30:11

And who's managing them?

G

Gonzalo Corzo 30:13

So we have one manager in the office, and she manages them all day. So she trains them up, she listens to their calls, she answers their questions, she makes sure the leads come in

and tasks out and leads to the acquisition managers. Yeah, so that's that's only her role.

D Dominick Felix 30:34

Yeah, at one point in the beginning, she was an in house cold caller herself for a long for a long time.

S Steve Trang 30:39

So another one of the leadership positions.

D Dominick Felix 30:41

Another one of the leadership positions. So she's kind of like, and then we entitled the the VAs Lead Specialists. So she's like the manager for the Lead Specialists. And on the same token, she's the lead manager in this sense as well.

S Steve Trang 30:54

Gotcha. And one thing that, this is just as an aside, because I had a debate with somebody last week -- Florida, I've heard that you will get crushed if you do RVMs and texts, just from a TCPA. That the state specific laws, I've heard that; I haven't investigated it. What are your, what is your guys' experience?

G Gonzalo Corzo 31:15

I'm gonna have to talk to my attorney before I answer that. No,

S Steve Trang 31:18

I'm not asking what you guys do. I was asking, what do you guys hearing out there?

G Gonzalo Corzo 31:22

Yeah. So Florida is definitely one of those states that everybody's cautious in with text, RVM. We kind of just do what we do. And try to follow it as best as possible. Follow the rules as best as possible.

S Steve Trang 31:27
But is it... Is it?, Is it additional laws from Florida or is the Attorney General just more proactive?

G Gonzalo Corzo 31:47
Um, I think it's additional laws. Yeah. Yeah, yeah. Yeah. And then I don't I, I don't take my advice for this, you know,

S Steve Trang 31:57
Not an attorney.

G Gonzalo Corzo 31:58
I'm not an attorney, you know, but from what we know, it seems that there's different laws in Florida, rather than more enforced.

D Dominick Felix 32:08
But what's cool to see is there's software out there, that works in a way to compensate for the laws, right? And they claim to be, you know, safe to use in any state in the US, right. So they'll function like, if there's texting software, they'll function in a way as if you're sending the text individually. And they actually make you kind of do it individually, but you they help you to do it faster. And we're using we're using software like that. [Gotcha.] Right. So if we're gonna text, then we're gonna do it legitimately that complies with the TCPA laws. So we're doing stuff like that. We're not doing a whole ton of RVM stuff. Like it's more like, you know, cold calling and texting and a lot of the texting that we do, it's really on the buyer side. So we're, we're just getting information quicker to the people that expect to hear from us.

G Gonzalo Corzo 33:00
We don't really do text blasting. For sellers, we, we use, um, Call Tools, is the dialer that we use, and it sends out texts as it dials. So instead of sending out you know, 30,000 texts, we'll call the list and if they don't pick up then they get a text message, or if they hang up, then they'll get a text message. [Got it.] So that's kind of how we've been doing it.



Steve Trang 33:23

Very cool. You guys don't seem to be have been impacted by COVID.



Dominick Felix 33:28

A little bit,



Gonzalo Corzo 33:29

We were.



Dominick Felix 33:29

A little bit, man. So. So the funny thing is, we've, we've been having a gradual growth for the last couple of, couple of years, you know. We've been tweaking little things, adding to the process, getting better as we go along. And, you know, we had a record breaking month in March, right. And then we just, we just had momentum, we had the momentum, we were feeling good, we were growing. And then COVID came in. And, you know, everyone was getting nervous. And then it just started seem, it seemed like like, you know, sellers on the seller side and investors on the on the buyer side, like, no one knew what to expect, right? And since they didn't know what to expect, they didn't do anything. You know, it's not like they didn't want to sell or buyers didn't want to buy. They wanted to, but they just didn't know what was going to happen. So they wanted to stand on the sidelines to wait and see what was going to happen. Right. So I don't know, I think we had like \$170,000, \$180,000 month in March. And then we still had a good month in April, it was over \$100,000. And then May started to kind of tank a little,. It was more between \$50,000 and \$60,000. So during that timeframe, we started questioning, like, you know, is it us in a way like, I know there's a problem, but sometimes you don't want to believe there's a problem. Like you know, your process has worked, and you want to push forward, and you still want to drive, and you don't really want to change anything. But then life teaches you a lesson and it tells you to be creative and figure things out. Now, in a way, it was a blessing in disguise, because it made us implement processes that help us to operate more efficiently now that the, you know, the economy's recovering a little bit, and we're able to, you know, you know, people are coming to terms with the fact that COVID is here, but you know, life goes on, you still havea work with it, you still have to push forward and buy and sell, whatever.



Dominick Felix 34:16

What did you guys tweak?

D Dominick Felix 35:16

So one of the big things was, was the texting on the buyer side, right, getting information to more buyers quicker, right, portraying your deals over to a bigger array of people to get more interest on them. Right. So that that was like probably the biggest learning experience, I would say, before that...

G Gonzalo Corzo 35:37

And it sounds so common sense, you know, just like text, your buyers. But we've built a good reputation in Jacksonville. And we have a good group of buyers. And because of the network of buyers that we've built, we have a lot of repeat customers. And, and the repeat customers that we have, are... they're paying good prices for the deals, you know what I mean? And so it's worth it for us to, you know, because sometimes, you get those repeat customers that are like, Ah, you know, you used to make \$5,000 on my deals, now you're making \$15,000 on my deals, what's going on, you know? And we have some repeat customers are like, dude, you're gonna make \$10,000, or you're gonna make \$50,000, as long as it fits my number, I'll buy it, you know, right. And that's kind of the relationships that we have out there. And so you get kind of comfy, just, you know, calling five guys easy sale. And then COVID hits, those five guys drop their numbers, you know, or are out of it for the next month, because they want to see what's gonna happen. So now it's, alright, we've had this list of buyers for years. We haven't, you know, we email blast them, but email blast, you know, you can email blast 4,000 emails, you only get 200 opens. So there's, you know, 3,800 people that didn't see the deal. So how do we get to them? You know, and text blasting has been huge for us. And then it's also lowering the acquisition number, right, so lowering the amount of the amount that we're offering to sellers. Because that, obviously, buyers are offering less. But that's always been a struggle for us. It's not, not... just more of a mental struggle. You know, it's the whole struggle of like, I could make five on it. So let's lock it up. Instead of I need to make \$10,000 on this one; I need to make \$15,000 on it. So that's been a mindset shift for us, is offering less and getting better deals.

S Steve Trang 37:48

What is your guys' targeted fee?

G Gonzalo Corzo 37:50

We target to make 15?



Steve Trang 37:53

And what are you guys finding to be your average fee?



Gonzalo Corzo 37:55

Our average fee has been about \$10,000 to \$13,000.



Steve Trang 37:58

Gotcha. Okay. And then, before we even jumped on the air, we were talking about business building. That was one of the things you guys are gonna be focusing on as well. What does that mean? Exactly?



Dominick Felix 38:08

So what we want to do is our dream, right, is to build squadrons, right. And a squadron would consist of the exact amount of people that could handle leads from a specific market size or combination of market sizes that can flow equally throughout the, the people in the squadrons. So when you look at our team, it's, it's like an assembly line, right? We have project management and lead generation, right? So they're generate... you know, they're they're putting together the lead source, and they skip trace it, they load the dialers, they handle the virtual assistants, and they're bringing the leads in right. When the leads come in. They, they disqualify the ones that we know -- and there's signs that we look at -- that we know we're not going to get a deal with, or most likely, we're not going to get a deal with this individual. The remaining leads, they hand over to the acquisition managers, and the acquisition managers, you know, they have their follow up schedules and their routines and their rules that they have to go by, with handling the scripts, and the conversations, and the offers, and the contracts, and things of that sort. So they're going to lock up those deals. Once they lock up those deals with the sellers, they pass them on to the acquisition liaison, which in a sense is really like kind of an acquisition assistant or support person for the acquisition managers. And that person is going to handle... like for us, we pull the deeds, we get a lot of information, we call the seller so we get all the lease information, is that tenant month-to-month or when does the lease end, all of that information. And they're in charge of setting the initial appointment and the initial walkthrough. And then they're also a support person for dispositions for setting showing appointments for that property for our investors, right. So that individual handles that. From that person. It goes on to a disposition liaison, which in a sense, is a support person or an assistant for the disposition side of the business. And they're going to do a lot of the buyer marketing, and the email blasts, and posting our deals on all different

websites, and things of that sort. Support, other support things that we have in line for the disposition managers. And once all that's done, then a lot of interest comes to the disposition managers by way of email, phone calls into the office, and things of that sort. And then the disposition managers also will mass text blast, targeted investors for the properties depending on the category the property falls into, you know, buy and hold, or flips, things of that sort. And then once they contract the deals with the investors, then all of that information, you know, all the paperwork from the, the, the acquisition side and the disposition side goes to the transaction coordinator. And then they take it from there and try to take all the burden away from all sides of the business and handle it from that point going forward until we close, right. So what is that? What are the right numbers? What's the right number of acquisition managers versus the right number of disposition managers, acquisition liaison, disposition liaison, the right number of VAs, how many leads need to come in that a VA can handle, and then how many VAs transitions to an acquisition manager, and so on and so forth down the assembly line. So we're getting closer, and we're not perfect, but we feel like we have the numbers pretty close. And then once that is, you know, as close as possible, as we're going into our next market, we're starting to see kind of a more of a second squadron being built inside of this first squadron. So what that's going to create is, you know, adding more sales managers, adding more dispositions, adding more support people, and then ultimately separating the teams. Right? So, you know, team one might handle, you know, all of Jacksonville and half of San Antonio, and then team two is going to handle half of San Antonio and then we're going to come into Arizona, you know,



Steve Trang 42:05

Good luck.



Dominick Felix 42:06

We're gonna kick you guys out of Arizona.



Steve Trang 42:07

Good luck. [laughter]



Dominick Felix 42:08

Probably not, Probably not, but you get where I'm going, you know, and then they'll handle a certain you know, it's really all in the number of leads that we can pull in from, you know, the markets that we're in to support that team.

S Steve Trang 42:21
I can see why Dominic's in charge of the project management and, and the whole organization.

G Gonzalo Corzo 42:26
I'm just a wholesaler, man. [laughter]

S Steve Trang 42:29
That's awesome. That was really cool. All right, so let's get to some of these questions. This guy has been awfully patient with us. So you got some love over here from Leo. Let's see...

D Dominick Felix 42:40
Awesome, Leo.

S Steve Trang 42:42
Why would you really do so rarely was returned to keep these guys... So what is the most challenging thing for you in this business?

D Dominick Felix 42:48
So I think one of the most like, what's going to become -- and we're starting to see that -- the most challenging thing is to build leadership roles, right? To choose the right people for the leadership roles. You know, we don't really know... we have experience hiring and training people that can work for us as leaders. But to hire people that can lead the other individuals is going to be a really challenging thing. We don't have a whole lot of experience in that. I had another business before this. It wasn't a big thing that I've worked toward, you know. I was always the leader. But now that, you know, you've been in business for a long time, and and, you know, we're in personal development, and, you know, we want to grow something great. It's gonna be you know, true leaders build leaders, right?

S Steve Trang 43:37
Absolutely. No, you can't...

D Dominick Felix 43:38
That's going to be one of our main challenges.

S Steve Trang 43:39
You can't build a great organization without building leaders,

D Dominick Felix 43:41
Correct. Yeah.

S Steve Trang 43:42
One thing you touched on earlier, was coaching, where you guys said you were trying to coach for a little bit, but you guys don't do that anymore? [Correct.] Talk about that, because a lot of people, you see it, you know, anyone, someone has a little bit of success, like I'm a coach now. [Yeah.] And they kind of like transition away or whatever. [Right.] So talk about what tempted you to do it. And it was what caused you to say ah, forget it?

D Dominick Felix 44:05
Yeah, it's a great question.

G Gonzalo Corzo 44:06
So a lot of it kind of got started, because we were getting asked a lot locally in Jacksonville, I... we're very involved in the community, right. So we try to go to as many networking events as possible. Any opportunity that there is to teach a class, we'll teach it. I was vice president of the local REIA. So I was on the board for two years, then I was VP for one year. So our name is out there in the local market. And then there's, you know, every single three months, a new networking event pops up, right. And so we're big on because one of the reasons why we're so active on networking stuff like it is for recruiting, right? Like most of our people have come...

G Gonzalo Corzo 44:09
Sounds like it's been very effective.

G

Gonzalo Corzo 44:25

Yeah. Most of the people that that come work for us They they know about us, they know about our business before they even come work for us. And so because of that, we were out there, and we started getting a lot of people asking us questions, hey, how do you do this? You know, can I, can I spend a day at your office? Is kind of how it started. Somebody asked to spend the day at our office, and we charged them for it. And what we did is we let them sit with each department. Right? So they would sit with the manager who manages the virtual assistants. So they sat with them for an hour, right. And they watched all that. And then they sat with an acquisition manager, and they watched them, then they sat with the acquisition liaison, watched what they did. Then sat with the disposition liaison and transaction coordination. And it was cool, because we were, we were able to bring these people in. We sat with them for about a half hour in the morning, kind of, you know, teeing them up on how the day was going to go, and the team would kind of handle the rest of it. So it seemed kind of lucrative for us, right? Because we're like, hey, one person, you know, they'll pay us \$1,000 to hang out with us for one day. And not a lot of people were bringing people into their office. A lot of people do trainings, but they don't bring them into their office, or there's a lot of coaches out there, but they're not really doing it, right? And so there's a handful of people out there that are crushing it, still have massive operations and are coaching as well. But most of the coaches out there, had their success and are now just focused on coaching. Right. And so we saw that there was a little niche in the coaching industry of wholesaling, where there's not a lot of people out there saying, "Come to my office, shadow my team," you know? So we felt like we could be effective with that. And so it started off with one person, and we're like, hey, let's start promoting it online, you know, where's social media, hey, this guy's at our office for the day, if you guys are interested, you know, hit me up, and then people were contacting us. And that led to another thing. And then out of nowhere, we were doing, you know, events at our office with four or five people shadowing one department. And then we took a conference room table out and had 16 people in there. And then instead of them shadowing at their desk, we'd have the department...

D

Dominick Felix 47:25

We put a workstation in our conference room. So we'd bring the workstation

G

Gonzalo Corzo 47:29

Had a big monitor there.

D Dominick Felix 47:30
to in front of the people.

S Steve Trang 47:31
That's awesome.

G Gonzalo Corzo 47:31
And then we were like, shit, let's rent out a hotel room, you know, because this thing is working. And then we recreated that whole event in a hotel room, we had 80 people there. And then we were going down the path of Alright, let's start a mastermind group, you know, because people will pay more for that. And there's a desire for it; there's a need for it. And we're big believers, you know, every year we join a different mastermind group. So we're big believers in it, we do it ourselves. But, and it's funny, because we're growing in our office, right, and where we're at in our office, right now, we had to tear down walls, we had to kick our landlord out of part of the building, so that we could take over some space. And in the past, we didn't have all the space that we have now in our office. So Dom and I. It's funny, but Dom and I used to have like very serious conversations in like our storage room closet, because that was the only place we could go where it was super quiet.

D Dominick Felix 48:30
Come out smelling like mop water.

G Gonzalo Corzo 48:32
So we're like, "Bro, you got two minutes?" And then we go hide in the closet really quick and just talk. And I remember just sitting there, and we were both talking. We're like, dude, should we like, we started a mastermind group. We had four people signed up, they had already gave us \$5,000 each to do this three month mastermind group. And we were coming back from a Momentum event. And we were super pumped, because we're like shit, there's so much stuff that we can still do in our, in our business, you know? And we sat down and we were like, what if all the time that we had put into this coaching we had put into our wholesale business? You know, like, where would we be, and we feel like we're behind in our wholesale business on where it could be. Because for a year, we were focused on coaching, and it almost felt like we were cheating on our wholesale business, you know, and our staff. Because our staff there, they thrive off of closing deals, you know,

and we pitch them on, we're gonna become the biggest and the baddest wholesale company in the nation. And that was no longer our focus. It was but it was, you know, doing two things.

D

Dominick Felix 49:47

It was like said, but not being done.

G

Gonzalo Corzo 49:49

Yeah. And so, we were sitting in the in the storage closet, and we just made the decision. We're like, alright, let's like, should we really do this? You know, like, we're about... Because once you take \$5,000 from people and, and we're, we're very, very honest people. So we want to commit. We're gonna go out of our way, especially getting started in coaching. We totally undercharged for everything that we do, that we did in coaching, because we were trying to build a brand, get clients, whatever, right. And we knew that, once we commit to coaching somebody, like we're gonna do everything that we can to make sure they're successful. And we just knew that starting a mastermind group and going down that path is going to ultimately take all of our time away from our wholesale business. And we thought our wholesale business was there to be self sufficient, but it was nowhere close to what we wanted it to be. And it's nowhere close now. Right? And so we just made that decision right there. And then we're like, Alright, screw it, we called up the people, sorry to tell you this, but we're just too busy to do this, we're gonna give you back your money. If something comes back up, you'll be the first person that we reach out to, and we still have great relationships with those people. And we've introduced them to other mentors, and our mentors, you know, like, Hey, I can't mentor you, but these are the people that are mentoring us, you know, go with them. But that's kind of how it happened. And we just saw all the numbers that we were doing were like, I would just spend like, four months putting on this event trying to put on this event. And we're like, Alright, let's look at the numbers like

D

Dominick Felix 51:23

There's no money in this.

G

Gonzalo Corzo 51:23

That's a couple there. That's a couple wholesale deals, you know, like, let's just put our energy back into our wholesale business. And then like, two months after we stopped coaching, and just went all into wholesaling, we had our first six figure month. And we just

felt the impact of us just 100% driven into our wholesale business.

S Steve Trang 51:42
That's awesome.

G Gonzalo Corzo 51:42
And we feel right now, like, we should be more down the line of where we want to be. But we kind of took a little hiatus because of coaching. And I don't regret it because it forced us to put ourselves out there. It forced us to brand ourselves on social media. It forced us to do Facebook stories every day, and you know, Instagram stories, and build that following, which is still important to our wholesale business right now. Whether it's buyers, or credibility for other wholesalers that want to JV with us, or expanding and, and recruiting people that are watching us online. So we're still big believers on branding. That's why we still do like a Tuesday night show. And we own a networking group in Jacksonville. So we're big believers of it. But we just don't want to commit by charging people, because once you charge somebody now like, you can't sleep at night, unless you're performing for these people.

G Gonzalo Corzo 52:06
No, you gotta, you gotta, you got to treat their money right.

G Gonzalo Corzo 52:40
Exactly.

S Steve Trang 52:41
uh, Claudio has a question is, How are you guys staying lean marketing-wise, but still able to produce plenty of leads for the acquisition team?

D Dominick Felix 52:48
Did he say staying lean? [Mm hmm.] How are you staying lean marketing-wise, and still able to provide leads?, So I think it's just continuously pulling data. And then one thing that we've learned, and this is not entirely proven, some of it is theoretical, is like, we'll pull a mass amount of data, right, and we'll pull it quarterly. And we'll re-pull a lot of the same data all over quarterly, and it'll perform like brand new data. So we're big on cold calling,

right. So when we pull a list, and we dial a list, it'll perform well, right. And if we dial through that same list, it'll perform less well than it did the first time. And then the third time, the fourth time that you go through that list, you'll get less leads from it over time, right. And then if we go back in the beginning of the next quarter, and pull that same exact list, it performs brand new again, and my theory is, and I don't know if this is proven, I haven't really dialed it on on this data. But the theory is, like, you know, people are moving, there's new people that occupy those properties, they change their phone numbers, there's all these different things that go on in people's lives. And you have 18 year olds that bought their first home 20, you know, people in their early 20s bought their first home, now and they're on the list. You know, things like that are going on all the time. So we're pulling the same data entirely over. And then

G Gonzalo Corzo 54:04
Dater...

D Dominick Felix 54:04
it's just -- dater -- and then it just performs like brand new data. And that's kind of the way that we're working with it now.

S Steve Trang 54:13
Cool. So Jawan says, you have to bear with this question. He's a marketing consistently for six months, but still no deal. And it feels like not enough leads, but he's been marketing to good amount of people. If you were in his position, what would you do?

G Gonzalo Corzo 54:27
So I feel like I know the answer...

D Dominick Felix 54:32
But I'm not gonna give it.

G Gonzalo Corzo 54:33
But I'm not say it. [Laughter] Tune in next week. No. It's, and maybe this isn't the correct answer, but the answer to me is your buyers list, right? Because I feel like he Jawan might not know what his buyers are looking for, or what his buyers are willing to pay for the

deals that are out there. And so, I... every wholesaler that I meet that wants to get started, I always ask them, you're only as good as your buyers list. Right? How good is your buyers list? And a lot of people out there just like just find a good deal; you find a good deal, it'll sell, right? But confidence in wholesaling is everything, especially just getting started. And the fear of you not making a strong offer to the seller, because you don't know if you're gonna perform or not, is going to stop you from doing deals. So I, I feel like, and this is what made me a successful wholesaler is, especially when when we started our business, you know, I had already been wholesaling for a couple years before I started this business with Dom. So when I started this business with Dom, we had buyers already. So like we did our first deal, you know, within a month or two of once we started doing marketing, because I had already done a ton of deals, and I already had buyers. I knew what they were looking for. So if you don't have a solid list of buyers, and a good relationship with buyers, not... confidence is everything. And having the ability to portray that confidence to the seller, and being confident and... alright, if I'm gonna offer them \$50,000, I know it's super low, but I'm gonna be able to perform. And so most of the time, you're not making the offers that you should be making, because you're either scared that you're not going to be able to sell it, or you're offering too low. Right, and I know this may sound weird, but there's deals out there that you know, you feel like you need it for \$30,000, there's a buyer that's willing to pay \$45,000, you can offer them \$40,000 and make \$5,000 on it, you know?

D Dominick Felix 56:33
It's almost like buyers equals confidence; confidence equals deals.

G Gonzalo Corzo 56:37
Yes, yes.

S Steve Trang 56:38
Yeah. And you kind of see it and some of these guys, you know, they're they're offering hundred dollar EMVs, which I'm not saying anything wrong with it. But if you're confident that number, you'll feel more confident...

D Dominick Felix 56:47
In your EMV.

S Steve Trang 56:48
Yeah, for sure. Lucas Orozcoe wants to know, did you guys decrease your marketing expenses at all? I'm presuming he's talking about COVID here, did you guys reduce your marketing during COVID?

D Dominick Felix 56:57
We actually didn't, actually didn't. One of the things that we, we sat down and had a conversation about was, we're gonna try to operate as close to normal as we possibly can. Because in our minds, like, it felt temporary, and it kind of still does feel temporary. Because, you know, ultimately, you know, the masks are gonna go away, the vaccine is gonna be here, and people are gonna operate normally. People are gonna still, you know, contract the disease and or the, the, whatever the flu or whatever it is. But we just we just said to ourselves, we're not going to panic, we're not going to retreat, we're going to continue to market the same, operate the same. We did cut a couple of loose ends, we tightened a few things up, we explored new options, but we did not reduce our marketing. [Yeah.]

S Steve Trang 57:41
And then Leo wants to know, are you... Is there a certain amount of deals you guys need to do per month to break even?

G Gonzalo Corzo 57:47
Mmmm, certain amount of deal? So with it really comes down to, to um... profit per deal, right? But we probably need to at least make like \$80,000 a month? To at least break even.

S Steve Trang 58:06
To cover all the marketing and overhead.

D Dominick Felix 58:07
I was going to say 8 to 10 deals, and, and we're getting \$8,000 to \$13,000 a deal. So I mean, \$10,000 to \$13,000 a deal. So...

- S** Steve Trang 58:13
Cool. Um, and if there's one thing that you guys could change about your business, what would you guys change?
- D** Dominick Felix 58:21
Hmm, that's a good question. If there's one thing we can change about our business, what would we change? Sheesh, dude, we've been talking straight. We haven't paused on any questions so far, that's more deep than people realize. You got something for us G?
- G** Gonzalo Corzo 58:41
If I could change something in our business, I would say it...
- D** Dominick Felix 58:48
I would want to say not start the coaching and just go in on the real estate. But without that experience, you wouldn't have known like, it's always gonna sit in the back. And it feels like it would ultimately come back one day,
- S** Steve Trang 59:00
Still be a distraction.
- D** Dominick Felix 59:01
Moreso when you're not ready for it. And now that we've gotten that out of our system, I guess, I guess I would want to know, from other parties, what that experience is like, so I would rather know whether to try it or not. And we didn't have any, any experience like that. So basically, we tried it on our own. And it kind of put our growth trajectory on hold, in a sense. So if I could know that information and not do it, we'd be further along in our real estate business than we are right now. Yeah, if that helps,
- S** Steve Trang 59:39
That helps a lot.
- G** Gonzalo Corzo 59:39

And I would say another thing, I don't know. Because, obviously you... we're here today because of everything that we've done in the past. You know, so I don't want to, I don't really have any regrets. But a big mindset shift for us was offering lower. Was, was negotiating a better deal, right? And the reason was because we knew it was a quick thing. You know, if we can get this deal under contract, we can make a quick two grand on it just flipping it to this guy. You know, let's make a quick \$2,000 on it, maybe a quick \$3,000 on it. And that's how it was like the first year like our first year in business, like our average profit was like \$4,300 bucks per deal, right? And so, because we want to have that equal balance of decent margins, and decent volume, right? Because we also don't want to do four deals at \$40,000 a deal. You know, it's hard to replicate that, right?

S Steve Trang 1:00:43
It's harder to repeat for sure.

G Gonzalo Corzo 1:00:44
Yeah. And so that was a big thing for me, right? Because when I was a one man show, like, \$2,000, \$4,000 deal is awesome. You know. And, you know, I do one of those a month, two of those month is great. But now you have a, you know, you have a team, you have a staff, you have an overhead, I can't really afford those \$2,000 deal anymore. You know, because those \$2,000 deals almost take more time than the \$15,000 deal.

D Dominick Felix 1:01:10
You're losing based on profit per deal.

S Steve Trang 1:01:12
Yeah, for sure.

G Gonzalo Corzo 1:01:13
So that that's one of the things that I think... how, and we had this challenge with our acquisition managers, especially during COVID. Because during COVID, we made a drastic... Now I don't want to say a drastic, but over time, we've tweaked it down and down and down a little bit more. And it's funny, because we just tell them the numbers to get them under contract, and they just get them under contract.

S Steve Trang 1:01:28
It just happens that way.

G Gonzalo Corzo 1:01:34
Yeah. So that was one of our biggest things, was let's lower it a little bit. Yeah. So that's something that I would say.

S Steve Trang 1:01:40
Ron wants to know what markets are you guys in? We were talking about Jacksonville. Are you guys in other markets? Are you guys looking at South, South Florida?

D Dominick Felix 1:01:48
We're not, we're not looking at South Florida. We've heard some pretty horrible things about South Florida. Miami is a tough market. So basically what we, we're in Jacksonville, Florida. And what we what we try to do is we try to look at the other markets and try to figure out which ones are as similar to Jacksonville as possible because that's how, where we know how to operate. You know, all the way down to like the the climate right? You know, and the climate during the winter. Like winter months can be disruptive -- storms, and you know, icing and all that stuff. So San Antonio seemed to be very similar in climate, very similar in median price point. In fact, the price point's a little bit lower. One thing that was really interesting is that their, their market size was about five times bigger than Jacksonville, Florida. So if we can operate the way that we operate in Jacksonville inside of San Antonio, we have a lot of room for expansion, and we can build the roots into that market, I think we can go a long way.

S Steve Trang 1:02:45
Gotcha. Very cool. And that answers Jorge's question about what market are you guys going into.

G Gonzalo Corzo 1:02:51
San Antonio.

D Dominick Felix 1:02:52

Arizona. Everyone should go in Arizona.

S Steve Trang 1:02:56

Everyone should definitely be coming to Arizona because a lot of us are looking at other markets. Okay, so you guys mentioned that you guys are purely focused on wholesaling. So you guys aren't doing any flipping or any retail at all, like just strictly...

G Gonzalo Corzo 1:03:10

We're closing on our first wholesale deal in September, on September 15. So we're buying a condo, Ponte Vedra Beach. It's like, a nice beach town. And we're closing on that because during COVID, we didn't know what was going to happen. And we did it. We had a lot of buyers backing out. So one of our things was, do we just need to raise money and just take down these properties ourselves, right? Because we're still getting deals, we know there are deals. You know, we might not be able to make a quick \$10,000 to \$15,000 on it, but we got to pay the bills. So do we just need to take it down ourselves, put it on the market, and then make the \$15,000 on it, you know.

S Steve Trang 1:03:54

What was crazy for us was that one of the best things about COVID was that we started buying more deals. Because we couldn't sell them. So I mean, we've got, we got one that we've made \$70,000 on one that we're closing in a couple of weeks, you know, we're making \$60,000 like another way of making \$100,000. And it's just like, these are deals with wholesale before. Because everyone's backing out, and I was like, well, the deals are still really good.

D Dominick Felix 1:04:18

Yeah, there you go. Yeah.

G Gonzalo Corzo 1:04:20

That's awesome.

S Steve Trang 1:04:20

That's, that's, that's really cool to hear. All right. So um, in the last year, because I asked what's your favorite book, but it's been a year. In the past year, what is, what book have

you gifted more than any other?

G Gonzalo Corzo 1:04:35
In the past year,

S Steve Trang 1:04:36
Or a favorite book?

G Gonzalo Corzo 1:04:39
Um, to be honest, man, I haven't really. I haven't really read much. Yeah, last year. I would... have haven't really read much in the last year.

S Steve Trang 1:04:55
How about a big lesson?

G Gonzalo Corzo 1:04:56
So... but I would say though, that one, one of the the things that drives me, that has always stuck with me, is The E Myth. Right? And obviously, the book is awesome, but it's the one thing that stuck with me and The E Myth was build your business like a franchise, even if you're never going to franchise it out. Right? And I tell this to everybody, right? Tell us to my dad; my dad owns restaurants, right? And I tell him, like, your goal shouldn't be to franchise if you don't want to, but you should build it like a franchise. And that has driven me in my business 100%. You know, I don't think we'll ever franchise. It could be somewhere down in the path, who knows? But I want to build it like, like a franchise and that's going to continue to to push me but I don't really read much, to be honest. I just listened to a lot of podcasts.

S Steve Trang 1:05:52
Yeah. Well, what's your favorite podcast? Besides Disruptors, obviously.

G Gonzalo Corzo 1:05:55
Obviously Disruptors number one. So, what one of the biggest podcasts and I know this is

gonna sound weird, because it's not really real estate related. But I listen to a ton of Joe Rogan. And I listened to the different individuals that he interviews. And I compare their lives to my life in real estate, and different things that they're doing. So just... and him he interviews some weird people, right?

S

Steve Trang 1:06:26

He's very, he's got a very broad range. He's not limited, which is what I like.

G

Gonzalo Corzo 1:06:30

Yeah. And, and I like to listen to those things and see how they can apply in my business. Right? So, so a big, a big, big, big lesson for me that I'm trying to do now more is, when you're delegating you, you forget that you need to lead from the front, right? And so it's hard to delegate, because there's so much going on, that it's hard to delegate and still lead from the front. Like, it's hard for me to coach my acquisition managers, and still do acquisition calls, while trying to sell the deals, while managing employees and all that stuff. Right? So one thing that I've recently been trying to do is get more involved with them. And I forgot, I forgot who it was that was, that was saying this on his podcast. But I found myself recently in the last month or so, ever since I heard that, just trying to, you know, hey this call, I'm gonna do it. And you're gonna listen to me, right? Like, just the other day, we had to back out of a deal. And my one of my acquisition managers was kind of scared on backing out of the deal, because, you know, we renegotiated the seller, extended the deal, and we still couldn't perform. So you got to back out, right? And, you know, obviously, no one likes to talk about those things. But it's the reality of wholesaling. And we had the buyer back out. So now we had to back out. And so like, normally, I just tell him all right, back out, you know? But I could just feel that he wasn't comfortable. And I know that if I were to do that call, next time, he'll be way more comfortable, confident, right? And I did the call, it was super easy. And he was just like, oh, that's it. And I was like, Yeah, that's it, you know. So little things like that I found myself that, kept trying to do more of, is leading from the front, which is hard. When you're the business owner, and you're trying to build the business, you don't have time to get on the phone with the seller, you know. But I've been, you know, let me get on the phone with them, you know, I'll take over that call. Let me do it. And so that was one of my biggest lessons recently, that I think I need to do more of. And it's just an excuse of, I don't have time to do it, it's just, I just have to find the time, you know. And most calls, you know, it's going to be a 5 to 10 minute call anyway, you know? So it's it's in my head, like, I don't have time to do this, like, let me just do the one calling me renegotiate the seller for my closer to listen. And then that is gonna make a huge impact not only in the ability for him to do it in the future, but also to trust me, to trust me that I can do this, you know. You're listening to me, because I've done this

listening to me because I'm smooth. I can, you know, I can get us out of any situation with the seller, with a buyer, whatever it is. You know, just the other day, I had the whole disposition team and the transaction coordination team in the conference room with me talking. And I was on speaker with the buyer, because the buyer was like mad at us. Because he found out like how much we were making. And I had to kind of defuse the situation. And I had, you know, the disposition liaison, who doesn't do any sales, but he wanted to listen to the call anyway. I had two disposition managers and our transaction coordinator, and they were just listening to me in the conference room, you know. And so that's what I've, I'm trying to do more of and it's hard, but it is what it is.



Steve Trang 1:09:55

Oh, that's awesome. How about you?



Gonzalo Corzo 1:09:58

He reads a shit ton.



Dominick Felix 1:09:59

So I read a shit ton. It's by Gonzalo Corzo. [Laughter] I mean, it might sound too typical, but my favorite book of all time is Think and Grow Rich by Napoleon Hill. And the reason it's my favorite book of all time is because before this, I built a pretty successful business. It was a foreclosure maintenance business. And I grew it, too. And I was a part of, you know, I ran field crews in eight states for these national companies and I had a lot going on; we were doing about \$5 million a year at our top. And, you know, I don't really have any college degrees. I don't have any educational, you know, whatever to brag about. But I would go to these, these yearly national seminars and conferences for my industry. And, you know, you know, either at the conferences or dinners afterward, I'd find myself at these tables with, you know, you know, 10 or 15 individuals, it's my clients, and it's my competition, right? My competition, these guys, you know, they've achieved things, you know, they've had their bachelor's or master's in certain realms of education, or whatever the case may be. Another thing, I don't follow sports, you know. People talk about sports all the time, it's a conversational piece that just can get things going. And I don't do that. So they're talking sports, they're talking about their achievements, whatever the case may be. And then one thing that was different to me and them is like, I'm like, three times bigger than these people. So I would sit there thinking, like, how am I even at this table? And how am I beating these people out when they seem admirable, you know, they seem like people that should probably be 10 times my size, and I never really knew what I was doing. And when, and then also, prior to that, I'd never really read any books, and I wasn't

in self development, I didn't really follow anyone, I really didn't really have any mentors. So when I started getting into self development, and reading books, and things like that, and I picked up Think and Grow Rich, it told me what it was that didn't know what I had, right? And it's the simplest thing you would ever think of it's just, it's persistence. Right? Thinking grow. Rich told me that I had persistence. I had persistence, more so than anyone around me or anyone that I've ever met. Right? So this guy might be smarter, but I'm gonna outwork him, and I'm gonna beat him. And if I can't do that now, I'll get better six months from now. And then I'll persevere and I'll surpass him...

S Steve Trang 1:12:30
Eventually, I will win.

D Dominick Felix 1:12:31
Yeah, eventually, I will win. Yeah. So it's just my favorite book of all time. I've read it probably three, four times. And then within the last year, and I've read just, I don't know, a ton of books within the last year, though, probably read Good to Great a couple times. I've read it three times in the past. I'm on my fourth time right now. And I find myself -- I'll read new books, but I'll go back to the ones that really affected me, or that I really took something from and I implemented things from it. And I'll learn new things from the rereads.

S Steve Trang 1:13:05
Yeah, Jim Collins is great. He's got a couple books that are really good. Um, the thing about Think and Grow Rich, I think there's two things here. A, the, if I had just read that book alone, and not read any of the books, I'd be just as fine because a lot of other books, really just re-saying the same thing is Think and Grow Rich. And the second thing is a lot of people can't finish that book. Which is ironic, because that book is about persistence. [Right? Right. Right.] If you can't finish that book, then you're probably not gonna make it.

D Dominick Felix 1:13:37
That's funny, man. That's super funny.

S Steve Trang 1:13:39
So I'm gonna let you guys think about something you guys want to leave the listeners with. And I'll just make one quick announcement. Guys, if you guys got value out of the

show, please hit the like button, please hit subscribe, it will help me a lot. It'll help us create more millionaires. And next week, we got Jesse Burrell and Ivo Dragonov. They're gonna come back about how they started as individual wholesalers. But in teaming up they've created something that's changed their lives. So tune in next week, we got Jesse and Ivo, they're gonna talk about their journey together. So before we wrap up, last thoughts want to leave the listeners with.

D

Dominick Felix 1:14:14

I would just say you know, just to keep everything super simple, just be very ethical and everything that it is that you do. Be very straightforward with people. One thing that I think our sales team does very well is they're straightforward with everyone that they talk to. They tell everyone exactly what it is that we're doing and how our process is going to go. People have a sixth sense of figuring out if you're bullshitting them or not. Right? So if you're trying to portray the deal in a different way that's not really how it's gonna get done. They're gonna not trust it, and that's probably why you're not getting deals. Right? So that's, that's just kind of what I like to leave everyone with.

S

Steve Trang 1:14:55

And how can someone get a hold of you?

D

Dominick Felix 1:14:57

Uh, you know, Instagram @realdomfelix, DominicFelix on, on Facebook, and we do a we do a wholesale show every Tuesday at 9pm Eastern time. It's called The People's Wholesalers. So you guys can go to Facebook and search The People's Wholesalers and join the group. And it's free, obviously.

S

Steve Trang 1:15:16

Cool. Last thoughts.

G

Gonzalo Corzo 1:15:19

So last thoughts is, if you want to make it in this industry, or in general, you have to change your sphere of influence. You have to change the people that you're talking to on a daily basis. You have to change the people that you look up to on a daily basis. So I would say, you know, that has made me who I am today, it's it's been the hard work and the action taking and, and all of that. But more than anything, it's been surrounding

myself with people who are, you know, just crushing it in industries. And sometimes that takes money. You know, it is what it is, you know,

S Steve Trang 1:16:03
You gotta buy yourself into the right room.

G Gonzalo Corzo 1:16:03
Yeah, you got to buy yourself into the right room sometimes. And that's something that we've done. And every time I connect with somebody that's doing more than I am, it pushes me to do more. And that in itself, will get you to where you want to be way quicker than a bunch of other stuff. You can work hard, you can, you can, you know, like, like, like what Dom said about his old business that he was with, right? His business that he had in the past, he was at a table. And it took him 10 years to get to be at those tables. And I think that, and he knows this, he could have got there sooner, if he had surrounded himself with people who had been in, you know, in those, in that industry, and it was a little bit of a different industry. It's not like real estate where you can just listen to a podcast, and there's people sharing all their details on their of their business, you know? And it was a different time. But I feel like, that's why we're, we are where we are today is we are continuously in rooms where we're not the most successful person in the room. You know, we're, we're trying to become like the people that we're hanging out with. And that's something that as you grow and as you get more and more successful, it becomes harder, right? Because if you've never done a deal and you go to a networking event of real estate and the people have done three deals, you're already somewhere, right? But now, you know, we're in Jacksonville, we're top dogs in real... in wholesaling. So it's hard to go into a room where people are doing more wholesale deals than us. And so it's challenging ourselves to be in those rooms where, you know, people are doing 50 plus deals, right. And that's hard. There's not a lot of people. If there are people doing out there, they're not talking about it.

G Gonzalo Corzo 1:16:24
They're very quiet about it.

G Gonzalo Corzo 1:18:04
Yeah, they're very quiet about it. And so it's it's a challenge, right to get to those next levels. But I think that's the last thing that I want to leave people with, because nobody really talks about that. But that has been the biggest game changer for me. You know,

when I was 18, I was shadowing millionaires, you know, and that's what made me who I am today. So change your sphere of influence. Stop hanging out with people who don't want to be as successful as you are, and it is hard to do. It's probably the hardest thing that you are going to have to do in order to achieve success. But it's going to get you to where you want to be.



Steve Trang 1:18:40

Yeah, how can someone get hold of you?



Gonzalo Corzo 1:18:44

So Gonzalo Corazo on Facebook, @realGonzaloCorazo on Instagram. Just send me a message and let's connect.



Steve Trang 1:18:52

Awesome. All right. Thank you guys. Thank you all for watching.