



YOU'RE JUST ONE DEAL AWAY

How To Work Less And Make More Money By Sharing Your Profits

Host: Zack Childress

So, the big question is this, how do aspiring real estate investors like us escape from the rat race and build real wealth and freedom without access to millions of dollars in investment capital and start to live the life that we know we deserve? This is the question and this podcast will give you the answer. My name is Zack Childress and welcome to Real Estate Investing Talk Show.

Zack Childress:

So, sometimes you guys come to me and you say, well Zack, how do you do as many deals as you do? How do you stay as active as you stay? Because I get it. Look, there's a lot of educators out there. Don't even do real estate anymore. It's sad, but it's true. You know, and I've always said that I do more real estate than I do education. And it's true. I mean, you know, two thirds of my income is from the real estate side and so, you know, if the, if that puts it into perspective for you, right? And so, because I'm an active investor, not only do I do real estate, not only do I partner in real estate and do apartments and commercial space and do private lending, that is my bread and butter. That is what I love. And I also own other businesses.

Zack Childress:

But real estate has always been, you know, my, I guess my fortune to, to my life. And so, and I would, I would be stupid to stop, right? And you know, and it's, it's always been a big goal of mine to get other people to understand like, you know, why they should be in real estate. You know, a lot of people like they think about real estate. They go, oh yeah, we're real estate sounds good, but I don't even know how to do my first deal. Well guess what, that's why I wrote this book right here, My First Deal Playbook and the people who have read it



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and the reviews that we get from it are out of this world. You can check them out on Facebook. You can even get this book on Amazon.

Zack Childress: You can go to Amazon.com. And search My First Deal Playbook and get your copy. I mean, I think on Amazon it's like six bucks or something like that. But this book literally helps you understand what it is you need to know about real estate from, you know, just getting started. What's the best investing strategy? That's probably one of the biggest things that I think new investors fail at is they don't actually take the time or the inventory of themselves to identify what strategies should they be doing. You know, everybody thinks wholesaling is what they should be doing. Well, when I sit down with students who want extra help and talk to us about coaching and you know, they submit an application in and then from there, you know, it goes through a review process and then I meet with the advisor about their students.

Zack Childress: One of the things that I always notice is, is that a lot of times people just don't know what they need to be doing. So, in chapter three I wrote a whole chapter about, you know, what investing strategy is right for you. And then from there, what is your strategy moving forward and building a plan around that strategy to get you to your first deal. The book is a great book. You can, like I said, you can get it on Amazon. It's an easy get a, it's not an inexpensive book. It helps you get started. So, I encourage you, if you're watching this, grab your copy of My First Deal Playbook right now and you can do that Amazon.com. Just search the title, My First Deal Playbook and it will come up for you. So, I think that that's great. So anyways, back to the topic at hand, right?

Zack Childress: So, the whole message today is about work less, make more money, sharing the profits. And we've already started getting some people like what is this topic all



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about? Well, it's really a look into my own business. It's really a look into how I operate. So, the question is, why is the topic today Work Less, Make More Money, share your profits, how can you make more money by sharing your profits, right? Like that's always something that people say, well, I want to keep it all. I want to keep it all. Well, let me help you understand something, as a business professional, I have learned over the years that if I'm trying to do everything in that business, the problem with that is, is I'm not doing enough. That's the problem. Just like your real estate business, if you're, if you're the type that says, look, I'm going to find all the leads.

Zack Childress:

I'm going to evaluate all the leads. I'm going to make all the offers and I'm also going to buy the properties and get the funding together and I'm going to manage the property and I'm going to make sure the property is well, and then I'm going to make sure the property gets sold. I'm doing all that. Then same thing on the rental side, I'm going to find the rentals. I'm going to find the money. I'm going to make the offers and evaluate my rentals. I'm going to hire people to manage those rentals and I'm going to manage those people and I'm going to be on the job every day. Well, you're doing everything. The problem with that is, is how much time do you actually have? You got 24 hours in a day just like everybody. The downside to that is, is you'll get burned out real quick.

Zack Childress:

And, and I learned this the hard way. I was doing everything I was building, but it wasn't building fast enough and that was when I really realized that I didn't need to be doing all the work. So hence why I say share in the profits. So, I started bringing partnerships into my business. I started bringing people that I could partner with on my buy and holds, people I could partner with on my fix and flips, because you got to remember, you've got to bring some form of value to the partnership, right? So, let's say you're the type that you got some money, but you don't have a lot of time. Well, you can create a partnership with



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somebody where they find the deals, they manage the deals and you bring some of the money to the table and you know, you could even use lender money and your money or all your money.

Zack Childress:

Well, what that does is it allows you to not have to be so involved in that deal. So now I can go do several other deals with other people too. You know, like for instance, you know, in my local market I have one, two, three, four, five, five people that I do real estate with. And here's the beauty of that. I do more deals than I would ever do on my own and I have less time involved. But I got five people out there finding deals, five of them, finding deals, managing deals, evaluating deals, and then bringing them to me so that I can put funds on them. So, what that means is I've got an army of people that are out in the market doing real estate and I get a piece of every single one of their transactions. That is what building a team of partnerships and sharing in the profits all about.

Zack Childress:

Okay, so when I've got five people and they all, let's say that each one of them has the capacity to do five deals a year. Well that's 25 deals I can do with five people and then if I want to go over here and do 20 on my own, now I'm up to almost 50 deals a year. And if you consider an average profit of \$20,000 a deal, well yeah, the gross is a million dollars, but half of that 500,000 of it I've done with a team of people. So, if I'm taking half of that, that's 250,000 plus my own deals. So, I make \$750,000 a year right, off of that type of profit-sharing model. So, I bring this to you because you need to have your vision clear when you're looking at your business. Do I really need to be doing all the work for 100 percent of the profit or could I team up with five people and allow all of us to work deals together?



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Zack Childress: So now I'm getting half of five deals because think about this, if it takes you, let's say three months in today's market to do it, get a deal, fix the deal and sell the deal yourself, because you got all your time in it. Then you did one deal in three months. But if I got five people, five separate people all doing one deal ever in the same three months. Well instead of making \$20,000, I've made 50,000 in three months because let's say they're all \$20,000 deals and I get half of all of that. So, it's 50 versus 20 and I don't have the stress involved. So, I absolutely encourage you guys. I encourage you to start looking at business partnerships, joint ventures. It's the same concept that I started years ago with co-wholesaling. You know I'm always amazed, I'm actually kind of flattered, that I see so many other people teaching a strategy that I brought to the market six years ago, right.

Zack Childress: And it's called co-wholesaling and we have the domain, we own the domain, we own the course. I mean it's ours, but You know you see other people teach it now I could get mad about that, right? Oh, they copied me. They copied me. They copied me. But why would I get mad about it? I mean, I'm flattered actually, that I was able to affect our industry that way and actually bring something to the industry that now that everyone teaches and so, and they use the name co-wholesaling, which I own. So, you know, I'm flattered by it. I think it's great. I, you know, I, I watched a video the other day and this guys on there with, with one of his books and tapes and he's like, and I'm going to teach you a brand-new strategy called co-wholesaling.

Zack Childress: I'm like, Hey, how about that? How about that? So, but I love it, right? My whole purpose in this business was to make ripples and if I have to make ripples through other educators to teach a strategy that I brought into the market and it's going to help people then I'm all for it, right? I'm all for it. And co-wholesaling is that it is finding wholesale partners, finding wholesale partners



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and splitting the fee. So, take that to the next level. Take that into your rehab business. Find rehab partners. Even if you're the one that has good credit and you're the one that's bringing the down payment in and the extra funds still find rehab partners. Find somebody that you can say, look, in that case, I may only give them 20 percent, but I would say, look, I'm going to give you 20 percent of my net profits.

Zack Childress: And you run the whole job. You find the leads, you bring them to me, I'll fund the whole thing. I'll give you 20 percent right. Now you might say, well man, Zack, that's steep, steep. Yeah, but that's like an apprentice. I'm teaching them the business. I'm teaching it. They'll say, oh well they could go get hard money. Well, in most cases they can, they still might have to create a bridge which is funds that they might need, that they don't have and they probably are aware of that. So, my deal is a better deal for them until they get started. But even then, I'll do a 50/50 with them if they want to bring something else to the table. Not just finding the leads and managing the job, but if they want to actually, let's say that let's say that they have the ability to get the loan from the bank.

Zack Childress: Okay, let's just use this strategy. Let's say they have good credit, they have a relationship with a local bank. And the bank's like, yeah, we'll fund but we want 20 percent down and will only fund 20 percent of the remodel and there's another 20,000 left. So now they need 20,000 down payment plus another 20,000 in reserves. They need \$40,000. They don't have it. So, they go to a hard money lender in the hard money lender says, yeah, we'll give you 65 percent of ARV and that means that instead of \$40,000, they still need 25,000. In this case, let's just use an example. Well now they can't even use the hard money lender, right? Because the deals are just too steep. Well, that's where a guy me comes in and they come to me and they say, Zack can, can we partner? Yeah, absolutely. I'll bring the 40,000 in, you manage it, but we split everything 50/50,



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where I have a minimum of 10 percent rate of return on my money, whether we sell it in two months, we sell it in six months, but it needs to be done within six months.

Zack Childress:

So, I'm always looking for those types of ventures just like you should be, whether you're the other side, you need to go find money guys. You need to find guys that have 50 or 100, \$150,000 that they're willing to put into a transaction, but they don't want an eight percent return. But they want more out of the deal. Well, okay, run the deal, get, get that money partner started. Go find you another money partner. Get it started. Now you create multiple streams of deal flow because you've now secured yourself. That's the whole sharing of the profits, right? I get sick and tired of talking to people all the time and they get so caught up in what money costs. Who cares what money costs. Like they really care what money costs if you don't have money, like, okay, they have money and they charge for it.

Zack Childress:

Why are you upset about that? You don't have money because you don't understand how money operates. But if you had money then you wouldn't need their money, would you? But if you don't have money, you need their money. And who cares what it costs. I'll never forget my first money partner I ever had was a chiropractor. And how I got him was, is that I went in for an adjustment and I brought a deal in, had all the specs on it, what was going to be made? Everything. And then I went to him and I said, look, you're a professional, you obviously know how to run a business and you understand, you know, good deals versus bad deals. I'm looking at this deal, you know, do you mind looking this over for me? And just really quick and tell me what you think about it.



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Zack Childress: Now I knew it was a smoking deal and I'll never forget. He looked at it and he said to me, where'd you find this at? Oh, you know, through my marketing, my network, I get deals like this all the time. He said, man, this is a great deal. Are you going to buy it? And I said, well, I'm trying to, but you know, I don't know if I have enough all the funds to take it down. And so, I'm thinking about bringing a partner in on it. And he looked me dead in the eyes, his name was Dr. Barris and he said, Zack, I'll partner with you on it. What, what do you pay your partner? I said, well half the profits. If you've got the money to do the deal and I'll do everything else. I'll find them, I'll manage them, I'll run them, I'll do everything else, make sure they get sold.

Zack Childress: He said, man, I'm all over that. I said, great, well let's drop some paperwork. And that was how I got my first money partner was from a professional. Now you fast forward a year later, I ended up with three of his buddies who all own chiropractic clinics too that became money partners to me. And then you fast forward years later and I got money partners everywhere. So, the point is you've got to make sure you're in a position to communicate them and you can't listen. You can't go to a money partner and say, look, Hey, look, I'm in real estate. You got money. You went alone. Now they don't even, they don't trust you the way you get a money partner, like a professional that sees you as a client to acknowledge you is, you've got to bring them a deal and you got to ask their opinion.

Zack Childress: Everybody loves to share their opinion. Trust me. So, you just want to ask their opinion and then when they ask you what you're doing with it and say, look, I'm thinking about taking it down, but you know, I'm, I'm also going to be looking for some money partners that want to get in the deal with me. And then you start that conversation with them and see how intrigued they are with you. So, listen, not to keep you guys too long, I just want to recap with you. So, the topic today



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was make more money, right? With less time by sharing your profits and I hope you understand where I'm coming from with that because sharing the profits, the end part of that phrase is about partnering with people, not trying to do everything yourself. You will do more by letting other people join in the journey, right?

Zack Childress:

Like partnering up with you, doing things for you, running a wholesale business with multiple people. Like I'm going to tell you if I, if I was a fulltime wholesaler, which I like wholesaling, but I'm not a fulltime wholesaler or anymore because I'm a full-time investor, right? I've blossomed from just being old cellar, you know, I'm a landlord, I'm an investor, private or rehab or developer. I'm all of it now, but if I was just a fulltime wholesaler, do you know how hard it would be just to do it by yourself? It'd be hard. That's why you got to have other wholesale partners. You've got to have 10, 15 of them around you. They're sending you deals, you're talking to your buyers, you're sending them your deals, they're talking to their buyers and you're all working together, making money. Right?

Zack Childress:

It's the same way in the big boy world. Once you move out of wholesaling and you get into rehabbing and buying homes, it's the same thing like find people that can help you grow your business without you doing the day to day operate. That's the business mindset of it, right? Like why do I want to be chasing down contractors? I want to be growing the business. I want to be growing my money. I want to be building more streams. I want to be connecting with more people and let them and look they're happy. They couldn't have done it any other way without connecting with you. So, be confident about that, right? Like get in it and get going. That's how you make more money. Right? And you actually do work less. You work less because you're not chasing the deals down all day. Right? And, and that's the beauty of it and the sharing in the profits is where



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you're going to make them more money because we did the example, if it took you three months to do one deal and you made \$20,000, you made 20,000 in three months, hey that's a good model.

Zack Childress:

You're making 80,000 a year running at that pace. Right? Or if I could go out and find five people to partner with and I could split deals because I'm either bringing some of value to that partnership to justify that, that that split. And we all in this partnership doing, each one of them is doing one deal every three months. Well on an average of 20, I'm making 50,000 over here. Now that over the years, 200,000. So that's how you're going to make more money. Guys. Leverage, leverage, leverage. Hey. Anyways, Zack Childress here, I am your real real estate coach. Stay in the game. Stay with us. Stay involved and get your head in the business of real estate. We don't even know how much more we have as in time to keep in this hot market, so you better be in it now making as much as you can. Heed my words on that. Okay. Zack Childress here. I'll see you guys next week. See Ya. Bye.

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