PROFIT LIKE THE PROS

THE BEST REAL ESTATE DEALS THAT SHAPED EXPERT INVESTORS

KEN CORSINI

STAR OF HGTV'S FLIP OR FLOP ATLANTA

BiggerPockets®
PUBLISHING

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Denver, Colorado

Profit like the Pros: The Best Real Estate Deals That Shaped Expert Investors
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Published by BiggerPockets Publishing LLC, Denver, Colorado

Publisher's Cataloging-in-Publication Data
Names: Corsini, Ken, author.
Title: Profit like the pros: the best real estate deals that shaped expert investors / by Ken Corsini.
Description: Denver, CO: BiggerPockets Publishing, 2020.
Identifiers: LCCN: 2020936157 | ISBN: 9781947200319 (pbk.) | 9781947200326 (ebook)
Subjects: LCSH Real estate business. | Real estate investment. | Success in business. | Real estate developers--United States. | Real estate development--United States. | Wealth. | BISAC BUSINESS & ECONOMICS / Real Estate / General | BUSINESS & ECONOMICS / Investments & Securities / Real Estate | BUSINESS & ECONOMICS / Small Business | BUSINESS & ECONOMICS / Personal Success | BUSINESS & ECONOMICS / Real Estate / Buying & Selling Homes
Classification: LCC HD255 .C655 2020 | DDC 332.63/24--dc23

Printed on recycled paper in the United States of America
10 9 8 7 6 5 4 3 2 1

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INTRODUCTION

I started flipping houses in 2005 at the ripe old age of 28—but I guess you could say I got my *real* start in middle school. It wasn't houses, though. It was candy.

I remember it clearly: I was 12 years old, and my parents were dragging me through the aisles of Sam's Club as I waited patiently for the bulk candy aisle. Surely they would let me spend my hard-earned allowance on a gigantic box of Jolly Ranchers—which in this instance, they did.

After that trip, I was stuffing my face with Jolly Ranchers when a lightbulb went off. My young, entrepreneurial mind launched into some quick mental arithmetic, and it hit me: I had purchased an entire bag of Jolly Ranchers for $10. If I resold each individually wrapped piece for 10 cents, I could make $20!

The profit spoke, and I answered—it was ingenious! The next day, I filled my backpack with candy, got to school, and started spreading the word: If you needed a fix, I was your dealer. Within days, I had sugar-addicted clients that needed my product, inventory that needed to move, and the promise of extravagant profits from my candy-selling enterprise.

Now, I was a pretty good student back then—solid grades, well-behaved, and liked by most of my teachers—but this new candy-dealing business was *technically* not allowed. For a good student like me, it was pushing the envelope, but I pushed on.

A week or two into my black-market candy biz, I started losing my stomach for deviousness. The under-the-desk exchange of money for candy and the close calls with teachers were simply too much stress for little Ken Corsini. With only $5 to go before reaching that $20 goal, I took my earnings, devoured the remaining inventory, and quit.

Looking back, however, it's clear that my little venture into the world of arbitrage was the first spark of my entrepreneurial wiring. This same wiring would manifest itself again and again over the next several years.

In college I started a business painting street addresses on curbs—an atypical endeavor, yes, but a surprisingly fruitful one. Driving through the neighborhood, I would tape a letter on each mailbox (my first foray into direct mail marketing) that announced I would return the next day, ready to paint an address on the curb for every accepted offer. At $15 a pop, I typically raked in a cool hundred bucks with just a few hours of work—definitely better than my friends making $7 an hour at Hamburger Joe's.

Luckily for me, my college sweetheart, Anita, had zero qualms with my entrepreneurial schemes. In fact, in our first year of marriage, just after college, I convinced her to let me sell her immaculate Nissan Maxima in hopes of taking the earnings to auction and "upgrading" to a nicer car.

Wouldn't you know, it worked! Over the next three years, that one car turned into fifteen cars, with profit building on profit each time. Since I was also working a full-time corporate job, the joke around the office was always "What's Ken driving to work today?"

That first corporate job was a lucrative opportunity as a client service rep for a risk management information system (RMIS) with a large insurance brokerage. For five years, I worked that 9-to-5, but I always maintained a side hustle and an aching ambition to be in business for myself. From flipping cars to selling on eBay, I was constantly in motion, always seeking a solid jumping-off point.

Enter: real estate.

About the fourth year into my corporate job, I found my future career in the most unlikely of places: a garage sale. Perusing the driveway full of old clothes, battered sports equipment, and outdated wall hangings, I happened upon a large binder, still wrapped in its original cellophane. On the cover was a picture of a dignified gentleman who sat beside the large, all-caps title: *NO DOWN PAYMENT*. The name at the bottom? Carleton H. Sheets.

Intrigued, I asked the seller how much he wanted for it, and he replied that even though he had paid hundreds for it, he'd let it go for $10. He also mentioned that the author was a legend in the real estate information marketing business. Smelling a deal, I forked over $10 and took it home for further inspection.

Inside that binder was a workbook and twelve CDs recorded by Sheets himself, and I spent the next year of my life listening to those CDs over and over again. If I was in my car, you better believe I was listening to the velvety voice of Sheets explaining the intricacies of lease options, assumable loans, and tax liens.

Anita, meanwhile, had zero interest in this newfound fountain of knowledge and was magically lulled to sleep whenever I popped in a CD. For whatever reason, she wasn't as captivated by the principles of real estate investing. I heard velvety, she heard *boooring*! Even today, it's one of our household's favorite ways to poke fun at our career path's origin.

Around this same time, I had a chance encounter with a gentleman who also changed the trajectory of my life. I met him only once, and to this day I couldn't even tell you his name, but his story left a lasting impression. He was semi-retired and working in a local home builder's showroom, though it seemed more for socializing than selling houses.

For no particular reason, I stopped by the showroom after work one day and ended up spending the next two hours captivated by story after story of this man's many real estate conquests. From buying pre-foreclosures at pennies on the dollar to sophisticated no-money-down deals, he had a story for every kind of deal under the sun. He also had an uncanny ability to speak without pausing, but I hung on to his every word, as if his next sentence might include the key to the secret of life.

When I left the showroom, having spoken maybe ten words throughout the conversation (mostly "Wow," "What!?" and "*Really?*"), I was completely enamored with the idea of following in this guy's footsteps. I even called my brother to tell him about the encounter and how I believed my life would be different as a result. I bet I know what my brother was thinking: "So Ken hears a few stories from a nameless showroom employee, and now he's planning to quit his job and change his life completely?"

Crazy, right? But within a year, that's exactly what happened.

After five years of faithful service in my corporate job, I walked into my boss's office one morning and told him I was leaving. I was 28 at the time, and I had to pursue my dream of being in business for myself. I knew that real estate was the vehicle that would propel me to success.

Fast-forward fifteen years: Anita and I have flipped more than 800 houses, bought and sold commercial and multifamily properties, built a construction company, started a brokerage with more than 200 agents and multiple franchisees along with a thriving mortgage company, hosted more than a hundred *Deal Farm* podcasts, formed a coaching program, spoken on stages around the country, and even starred in twenty-eight episodes of HGTV's *Flip or Flop Atlanta*.

It's been a whirlwind, but it all started with a little inspiration. While it was probably in my DNA to be an entrepreneur, a few fate-timed sparks finally lit the fire for good. Ultimately, those sparks came from listening to the stories of veteran real estate investors. The stories of deals—how they were acquired, how they were structured, how much money was made—inspired me like nothing else. With them came the ability to visualize myself doing the same things to create the same outcomes. Hearing firsthand accounts from other people made it *real*.

Today I still believe in the unparalleled power of a real estate investor's ability to inspire other investors. Sometimes it just takes hearing someone else's story to believe it can be yours as well. Sometimes a story from the front lines of real estate will spark a fire that goes on to change your life.

In 2019, I decided to begin collecting such stories from seasoned investors around the country that would inspire the next generation of real estate investors. That idea began with a BiggerPockets video series called *The Best Deal Ever Show*, and it soon morphed into the book you're reading now.

The opportunity to interview these investors has been one of the most rewarding experiences of my life. Amid conversations with some of the most talented, interesting, and courageous achievers in the industry, I've returned to that awestruck feeling where my vocabulary is whittled down to "Wow," "What!?" and "*Really?*" Upon realizing the value of this content, BiggerPockets and I agreed that it was important to take some of those interviews and distill them into a book that would inspire and educate beyond the original listening audience. I can picture the Ken Corsini from 2004—green, in a corporate job, and with an insatiable appetite for real-life entrepreneurship—devouring this book.

That said, I also selfishly wrote this book for the Ken Corsini of *today*. Admittedly, I'm not a voracious reader—I tend to *date* a lot of books but rarely agree to a full-blown commitment. While I'm great at starting to read books, I'm subpar on the follow-through. Most of the good stuff is packed into the first few chapters anyway, right?

Wrong. This book comes with the promise of each chapter being as distinctive and inspiring as the next; you won't find any frontloading here. Each interview is a bite-sized glimpse into an exceptional real estate mindset, but with thought processes broken down into steps and numbers any reader can understand.

There's no need to read it sequentially. Perhaps you want to read about someone in particular and skip to their chapter first—go for it! Or maybe there's a specific investment strategy you want to jump ahead to and explore—have at it! There are no rules when it comes to reading this book, and I'm betting that will suit most entrepreneurs perfectly. We hate rules!

When all is said and done, my only hope is that the stories herein inspire you to take action, and that in doing so you find success. Not just success, but *massive* success because, as you're about to read, your next payday might be waiting just down the street.

CHAPTER ONE

ANSON YOUNG

Mentoring Through an Inherited Mess

When Brandon Turner introduced me to Anson Young, it didn't take long for me to notice his unique way of thinking. Most investors tend to view value in monetary terms, but Anson is different. To him, a deal's human dynamic is just as valuable as the money everybody walks away with. Whether by mentoring an aspiring investor, helping a family in distress, or simply ensuring his deals are more than just transactions, Anson goes beyond monetary value every step of the way.

As founder and owner of Anson Property Group LLC, in Denver, Colorado, Anson focuses on helping off-market property owners sell quickly and seamlessly. In more than ten years of investing, he has closed more than 200 wholesale deals and one hundred fix-and-flips. Throughout it all, he's kept a healthy balance between hands-on deal management and investor outreach efforts, ensuring that he's always giving back amid growing success.

Networking has always been a key component in Anson's business model, whether it's through cultivating relationships with Denver agents or connecting with members of the real estate meetup he has run for nearly ten years. He started the meetup as a way for real estate junkies to simply hang out and talk shop, but it turned out to be a deal incubator too. Anson explains:

"When I started that meetup group, I didn't know how much real estate was about finding ways to add value for everybody. The fact is that truly caring and building rapport with people is not just enriching on a personal level—it also enables trust to be transferred to deals. It means referrals, repeat business, and more opportunities on so many levels."

As the de facto leader of Denver's social real estate network, Anson didn't take long to grasp the possibilities when presented with what turned out to be his best deal ever. Not only does it combine a unique partnership with an interesting inheritance, but it also illustrates the value in building strong personal connections—something we don't always see in real estate deals.

Insider Info Over Anson's ten years of real estate experience, he's accumulated a healthy mix of deal types. While he has purchased, renovated, and sold more than one hundred properties, he's also opted for a less risky approach on more than 200 deals. Wholesaling is different from a typical flip in that the investor doesn't buy the property but instead assigns his or her purchase contract to another investor for an assignment fee. Wholesaling is a great way for a new investor to break into the business without taking on the risk and financial responsibility of actually buying a property.

FINDING THE DEAL

Anson's checklist for finding deals is tried and true: driving for dollars, vacant property lists, and getting in front of the gatekeepers—agents, lawyers, and estate companies—for deals. Nevertheless, the big wins nearly always come from his network. Professional connections across Denver lead to countless client referrals, but those monthly meetups have turned out to be the unexpected golden ticket. Anson says:

"I just like to connect people and connect with people, especially those who are new to the business or trying things out. The whole premise of the meetup isn't just to snag deals, but that turns out to be one of the benefits of providing value."

A young man named John had been attending these meetups for months, but he hadn't yet scored a deal. For this married father of three, finding time to follow through on his dream of real estate investing wasn't easy. Nonetheless, he felt he had enough learning under his belt that he could be confident recognizing a good deal when he saw it.

When a thorny but possibly lucrative real estate situation arose in John's family, he found that he was first in line for an off-market deal with potential. His grandmother had recently moved into a nursing home, and the house she had lived in for forty years needed to be sold. This task fell to John's mom and aunt, but they were already overwhelmed before things had even started.

John felt that he could help his family find a solution, but he wasn't confident that he knew the best way to approach the situation. Of course, he could simply hand off the sale to a real estate agent and let them deal with everything, but that wouldn't further his goal of getting hands-on investing experience.

At every meetup John attended, Anson had let attendees know that he was available to provide mentorship if they hit a sticking point with things like title issues, legal problems, or tricky negotiations. This offer hadn't fallen on deaf ears, but John wouldn't just be asking for advice—he had a plan. If he could get Anson on board as an investor, he could work his first flip with a trusted mentor *and* create a fair sale for his family.

Ken's Take When leaders start networking groups, it can be a phenomenal opportunity not only to mentor new and aspiring investors but also to also create partnerships and facilitate more opportunities. While Anson really does run his meetup from an altruistic perspective, I know other investors who do so primarily for deal flow.

On the other hand, if you're new to real estate and just looking to gain some experience, find a mentor. Working with a seasoned professional gives you access not only to their skill and authority but to their network (contractors, private lenders, etc.). This is especially true if you've already found a deal but don't feel confident about going it alone. Find a real estate veteran to team up with, offer a lucrative partnership, and get invaluable mentorship in the process.

ASSESSMENT

After John filled him in on the details, Anson agreed that the home had the makings of a great deal. Built in 1945, it was a one-story brick ranch with a basement, four bedrooms, and two bathrooms. The home had great bones, but the problem was that it hadn't been updated since the '70s. Even if it didn't need any big-ticket repairs, a cosmetic overhaul would be crucial for a profitable flip.

Since it was ideally situated in a popular residential neighborhood near a well-rated elementary school, Anson knew the home's target market would be families with young children. He also knew that these families would want more space than its current 1,200 square feet. Finishing out the basement with two additional bedrooms and a bathroom—which would add about 1,100 livable square feet—would be a huge boost to the after-repair value (ARV).

There was also the issue of *stuff*. This house had accumulated lots of it—furniture, clothes, and other unwanted bric-a-brac. The grandmother, it turned out, had quietly become a hoarder in her later years. In some rooms, walking from one end to the other meant navigating through four-foot piles of hoarded junk. And not only that—a whopping fourteen cats lived in and around the property. Figuring out what to do with all the stuff was the family's most overwhelming issue.

Getting the house market-ready would probably cost around $40,000. Anson estimated the current value at around $215,000, and comparable renovated homes were selling for about $330,000. If he took on the project, he'd want at least a $50,000 profit, which meant there wouldn't be much of a margin for error. He'd be happy to offer mentorship if the numbers worked, but first he needed to decide on an offer that was fair for everybody's time and money.

THE BREAKDOWN

Single-family home, 1,200 square feet
Denver, Colorado
Asking unknown

OFFER AND FUNDING

Even though Anson had a warm introduction to the "seller"—in this case, the rest of John's family—he still had to win them over. He and John organized a roundtable discussion to weigh options with John's parents and two aunts. They met several times over the following weeks, but it wasn't always about logistics. Often they didn't discuss the property at all.

> *"We would talk about our silly dogs or other random things, just to get to know each other. I enjoyed this at a personal level, but at an investor level, it had the extra benefit of really helping me understand where they were coming from. All this time with the family meant that I could sincerely base my offers around what they wanted."*

Anson made no secret of the fact that they could ultimately get more money by renovating on their own and listing with an agent. However, that option would also involve managing contractors, as well as paying listing fees, commissions, appraisal and closing costs, and whatever else would arise in getting the house market-ready.

Though Anson's offer didn't provide the highest possible income for the family, it did provide a much higher level of simplicity. For a flat $215,000, the family could walk away from the burden of selling and simply move on. Above all, they wouldn't have to deal with emptying out all the *stuff*. When Anson assured them that they could simply take what they wanted and leave the rest, their relief was palpable. Ultimately, they opted to smash the easy button and accept his offer.

Insider Info Anson spent hours with this family not only building rapport but also gaining their trust. Over the course of multiple meetings, it became clear that Anson wasn't some greedy buyer trying to take advantage of them. As an investor, it's incredibly important to understand the needs and concerns of the seller *first*. By taking this approach, you will make sellers feel heard, understood, and confident that you genuinely want to help them. From there, you can develop a game plan that isn't solely about buying their house but about solving their specific needs.

Meanwhile, Anson and John established a partnership arrangement in which Anson would provide all the funding and project management and John would get 10 percent of the home's resale profit. Until then, through participation, John would "earn while he learned" about scheduling, budget planning, construction walk-throughs, marketing, design, and any other aspects of the project.

Another win for networking: A private lender Anson previously worked with agreed to fund 100 percent of the purchase and renovation. He lent $255,000 at 14 percent interest on a twelve-month balloon note. With none of his own money involved and plenty of upside potential, Anson was confident that the home's sale would cover all the accrued interest and net a profit of at least $50,000.

Insider Info Anson had been in the business long enough to know that the ideal way to structure a private loan is with a balloon note. Essentially, this just means the interest accrues until either the note matures or the property is sold. For investors juggling multiple projects, structuring their private loans this way alleviates the cash-flow burden that monthly interest payments can impose on a business.

TURNAROUND

Clearing out the house was the biggest task: It took three days and *five* forty-yard dumpsters filled with rejected miscellany, which was just what they couldn't resell or donate. As for the rest, they donated at least two pickup trucks full of items, caught most of the cats to "donate" to the seller's sister, and sold many of the older appliances at prices that were a steal for local buyers.

> *"This is one of my favorite examples of stacking the wins for the buyer, the seller, and the community. I was able to remove the burden of 'stuff' from the family's shoulders, on top of giving back to the community and creating a great overall partnership."*

From there, Anson hired a contractor to build out the basement and give the upper level a facelift, including kitchen updates, new bathrooms, carpet, and paint. They also replaced ceiling fans, lighting, and exterior doors, and repainted the outside trim.

Since the home hadn't been updated since the 1970s, all the floors were still carpeted, in the style of that era. When Anson peeked under a corner piece, he found pristine hardwood. Tearing out the carpet and refinishing the hardwood floors was the final big task, and they finished without a hitch.

AFTERMATH

Barely eight weeks after the start, the renovation came in at just less than $40,000. John had treated the project as an open book for real-life investing experience and finally felt like he'd gotten his start in the game. On top of that, he provided a low-cost extra hand for Anson's team. So far, it was a win-win—but they still had to sell the house.

They had started the job in autumn, so after finishing in early winter, they pulled the comps again to ensure the $330,000 projection still held. As it turned out, the market had changed—in their favor. With low supply and high demand for comparable houses, they pushed the odds with a top-of-the-market listing at $349,000.

Ken's Take Sometimes it makes sense to list a house higher than the comps would seem to indicate. In Anson's case, the house was move-in ready, looked nicer than comparable homes, and was the only ranch-style option within half a mile. If you wanted to live in that area—or two blocks away from the elementary school, where this was—it was the only game in town.

With the hot timing, they didn't even feel the need to stage the house. After listing on a Wednesday, they had five offers by Sunday. Two weeks later, they closed on one of those offers and received their asking price of $349,000—$20,000 more than Anson's initial prediction! He explains:

> *"One of the best parts of the deal was interacting not just with John but with his whole family. John's mom and her four siblings had been raised in that house—it wasn't just a home, it was a history. One particular memory I have was sitting at the closing table with the whole family before I purchased the house. Suddenly, John's mom said, 'I don't know if this is possible, but can you show us the house*

when it's done? Our parents had always talked about doing updates and changes to the house but never did.'

"I said, 'Of course!' Right before hitting the market, when it was at its most pristine, I was able to watch them walk through the place they'd known so well. Some tears were shed amid gasps of 'Oh my gosh, this is my old bedroom!' and 'I couldn't imagine it turning out so well!' It was so rewarding to see how handling this home with kid gloves had paid off. I had 'taken care of Mom's house' and done it right. It was an amazing bonus."

This project was special not just because of its profitability but because of the solid relationship Anson had built with a family that was genuinely grateful for his help. Ultimately, the goal of keeping the interpersonal component strong while creating profit for everybody is what made this deal such a win-win.

TAKEAWAY

It's a People Business

Anson spent a month meeting with the family to discuss their goals and concerns before landing on an agreement. After that month, if another investor had come along with a better offer, I bet the family still would have stuck with Anson. The human component of real estate is so important because, frankly, sellers want to do business with people they feel they can trust.

This business is all about the people involved and how you can help them get through what can be one of the hardest times of their life. By being authentic, genuine, and caring, you offer a customer service component that a lot of investors simply ignore. They churn through houses and think it's a numbers game, but at the end of the day, it will always be a *people* game.

Be Solutions-Driven

Many distressed and motivated sellers have a pain point that needs to be relieved: overwhelming debt, frustrating tenants, or—in this case—an unexpected inheritance. Disentangling the underlying issues of a stressful situation means understanding a situation's dynamics at all levels.

Be a problem solver more than a home buyer. Whether it's moving stuff out of the house, taking over debt, or helping someone find a new place to live, honest work toward problem solving is what will make you stand out amid multiple potential buyers.

Look at the Footprint

Anson saw the whole home, not just what had already been finished. Building out a basement or attic is a great way to maximize square footage while avoiding the hefty costs of adding or constructing a second level. The cost to finish these already-encapsulated spaces can often run as low as one-third of the cost of a new addition. From a return on investment (ROI) standpoint, it's a no-brainer!

Focus Locally

As real estate businesses grow, some investors decide to expand outside of their local market. In Anson's case, rather than go wide, he chose to go deep. For Anson, this means concentrated effort on building a massive network of investors and industry professionals that help feed his pipeline.

It's hard to imagine outgrowing the opportunities within a large city like Denver. While competition may drive some investors to smaller markets, investors like Anson simply double down in their own backyard.