



MOM'S HOUSE HOME STUDY COURSE

# CHAPTER FOUR

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So, we've been talking a lot about the stakeholders of the senior living communities, but right now we're going to get to talk about my favorite lead source that's out there, right?

Get your pen back out, write this one down, *placement agents* will be your best lead source going forward.

Placement agents are, in essence, a real estate agent for the senior living world. Placement agents weren't even around 20 years ago, so think about that. It's such a new industry that a placement agent is the person that's designed to help the senior and the adult children of seniors to find the right place for care. Think about it, if you and I were brothers and sisters and we had mom and we needed a place for her tomorrow, where would you pick? What would you do? Who would you talk to? I would be overwhelmed with it for one.

The placement agent is trained in understanding the level of care that mom needs, which is a big deal. Because I'll be honest, the children sometimes either have their head in the sand or they're just not trained in a way to know, to look for the life skills, to know what level of care mom or dad needs. So the placement agent will also look with the finances to understand what type of care they can afford to pay for. And get this, the placement agent usually meets mom or dad in their home. So the placement agent is really the front line of what we want, which is an opportunity to buy houses.

So the placement agents I work with are trained very well to know, "Oh man, this is a house for Philip," meaning they know the family has no intentions or desire to rehab that house to get it ready for the retail market. That's when they call Philip and say, "Well, I've got a guy. I've got a guy that would come make an offer to buy it just like it is, and you can even leave the stuff behind that you don't want."

That is like music to their ears.

A placement agent will have reoccurring leads for you ongoing as long as they're in the business. For you, the real estate investor, you don't care about if mom's moving to garden view, angel view, city view, or whatever the name of the community is. You don't really care which community they're moving mom into. You care about the fact that they're moving mom into a community and now that house needs to be sold.

So the great thing about a placement agent is that they're going to put mom in the best place for care, and you're sitting here ready and willing to buy the house when they find the right place. You talk about timing in a lead. You think about like the spray and pray model that most of our marketing efforts are, like a direct mail. What do you do? You have this list, you buy this great list, and then you touch them and touch them, each time with cost involved. And your list gets bigger and it's not doing as good. I think one of my friends said 90% of people do one mailing and then never do the second mailing.

Well, hopefully you're smarter than that and you know if you're in real estate investing that you have to keep that direct mail going for it to actually work. And so it's still a spray and pray model, hoping that the timing ends up being right. That's why we do direct mail.

This is the opposite of that.

This is... I need to place mom into senior living.

I need to sell the house right now.

The placement agent has a front row seat to know the exact moment when they need to sell the house. So I hate to even call these senior living leads. They're really like senior living appointments for you to go buy houses, which is the whole reason why we're in this business is to buy houses. So it's like we make this business so hard to get our phone to ring.

These are the best leads because the timing is perfect.

The placement agents also have preexisting relationships with all the communities. So if you get in good with a placement agent, you almost don't even need the goodwill of the senior living community as much because they're almost like the filter of the person. And so let's say you and me are siblings again and now we have mom. If we trust Susan, the placement agent, to help us pick mom's place where she's going to move into, do you think that we would take the advice of her to say, "Oh, you've got a person you trust that can make you an as is offer?"

The answer is, of course!.

Way more important than the house is where mom's going to move into.

And you've already put your trust in that person to help with that, so you better believe when that referral comes from the placement agent to me, the investor, that they already trust me, they already know that I'm a good person because I'm affiliated with Susan, the placement agent.

You can see what I'm saying.

Now you're asking yourself, why would the placement agent refer to you? What's in it for them, right? Everything today is like, what's in it for them? Simply put, a placement agent is paid on, what do you know, placing people. When do they place them? Well, in their mind, they'd like to place them as quickly as possible. What slows down the senior living community from a person moving in is the same thing that slows down that person that they're helping for moving in.

It's unlocking the equity out of the house to pay for the care. So if you can be a resource for the placement agent to have a person that they can go to that can close in 10 to 14 days or 21 days, the great thing too is you can close whenever.

You're a real estate investor.

You have way more flexibility than a retail buyer would, and that's great because let's say a month from now they have an opening. You could set up the closing to be exactly that right time for them. And so the placement agent gets paid quicker when they work with you because now they don't have to wait for that house to sell to unlock the money for the care.

Another one of my favorite resources that's in the senior living industry is the downsizing companies. Estate sales, auction houses, and actually downsizing experts are some of the best referrals for us because, once again, the timing is perfect.

If you're there to clean out a house, that person is the frontline to know that the lamps and the rugs and the furniture and all the things of life that they're getting ready to sell. The house is just another one of those things. So the downsizing company is a frontline to the home. They know the family psyche. If the family is going to rehab it themselves, then they don't ever need to call you with that deal.

If the family would like to have an offer and they get the referral from the downsizing company, now that trust is already built, the goodwill of that downsizing company is given to you to come in as a trusted source. So once again, they have a front row to the house.

These are continuous leads.

You're not doing a major clean out of a house that you probably live in if you're 40 years old. I'm not calling the downsizing company most likely if I'm 40 years old. How do you help a downsizing expert to make more money? It's simple. These houses are full of stuff from treasures down to trash. The treasures are easy to sell. Once you get past the treasures and the heirlooms, very quickly, it goes to just trash.

Because we are flippers or rehabbers, a lot of times we are already there with dumpsters to take the carpets out, to take the kitchens out, the bathrooms, the heading, the old whatever. And so it's so easy for us, the investor, that's going to rehab the house to say, "Hey, take all the heirlooms and anything that's left over after the sale," this estate sale that they're doing, "You can leave it." And that's music to the downsizing expert's ears because a lot of times at the end of the sale, they have to eat the cost of cleaning the place the rest of the way.

With us, not only will we help... They're providing more value to the client, but also you've saved them money on the back end, which is really just a hassle.

Once the valuables are sold, now it's just stuff, right? And so you can be a resource to them to help them save money by letting them leave the rest of the stuff behind.

In our world, we've said the word hoarding before today. I lovingly refer to it as aggressive collecting. You're going to come across a lot of aggressive collectors, from good ones to bad ones. The difference is that a good one is somebody that collected coins or they have too many coins, but they're valuable, and it's still a clean house. We see that all the way down to the other side of hoarding, and you've seen the TV shows.

So we won't go into too much detail, but like dead animals, maintenance issues that have just been neglected for years like sewer issues, and just some of the grossest things that you've ever seen, you will come that in this business. As soon as you walk in, you can kind of see what mental illness looks like a little bit with hoarders. There's something wrong in their psyche that makes them collect 10,000 dolls, right? And they're everywhere and they're not put together and they've been wet.

I'm getting detailed because I'm thinking of one particular case. But my point is is that you being a resource for that family that has a hoarded out house is a huge weight lifted off of that family. Someone's going to tackle that problem. It might as well be you, the real estate investor. And the further away that house is away from retail, the more valuable you are as a real estate investor anyway.

In the senior living world, there's a ton of different acronyms that you're going to learn, ALF, LTC, ADL, CNA. And it's good to learn some of them because you want to be able to... Everything we've talked about today is how do you build yourself as trust with those people? How do you gain trust with those people?

One of the words today that I've said is the word facility. I try to get that word out of my words that I use. The word facility is kind of looked at as a negative word.

You want to use the word community.

The reason why, the word facility kind of makes you feel like a prison.

You don't want anything to feel like a place where you go to die.

Sometimes people throw around the word old folks' home, something like that. You don't want to say the word old folks' home. you don't want to say the word nursing home in fact. Nursing home is where their mothers went to die. And so these independent living communities, if you haven't been to one, they're like a ski resort sometimes.

They're gorgeous.

I mean, they spend millions of dollars making these places look just unbelievable. And so you want to use the word community, not facility.

We want to talk about somebody that's in the industry too. If you want to gain trust with all of these people that we've talked about today, there's one resounding thing that I found is that there's a company out there called A Place for Mom.

And A Place for Mom is they, in essence, created an industry, the placement industry. They own the industry, and they got really good at the search engine optimization for the 29,000 senior living communities that are in the nation. So A Place for Mom ranks higher than the senior living community does for their own community. So they have higher rankings for that community than they do.

And so if you want to be beloved in the industry, you should know that most people that I've spoken with, they can't stand A Place for Mom. They look at them as a necessary evil.

And so in our two day certification course, we go really deep into how you can prove your value to these people, how you work with them, where you find them, what to say to them, what to do, a step-by-step method.

Now we're going to kind of do a shift from the industry stakeholders and we're going to talk about the term getting old.