RYAN:
Other people can give you higher offers. There's going to be a person that's going to give you a higher offer, but two things. Are they going to give you it in writing and then make sure that everything goes correctly? And then the next thing, are they actually going to close, which is very important. I get it all the time. Somebody that may be just starting and came through like a guru course may give you the highest offer that you've ever seen, but that doesn't mean it's going to close.

CORWYN:
Good morning. Good morning. Great morning, guys. Welcome to another fabulous episode of Exit Strategies Radio Show. Hey, I am your host, Corwyn J. Melette, broker and owner of Exit Realty Low Country Group in beautiful North Charleston, South Carolina. Hey, if it's your first time listening to this show, woo, you are in for a treat. That's because our mission is very simple. That is to empower our community through financial literacy and real estate education, guys.

We're legacy building. That is what we do. Got to give a shout out to those who listen to us faithfully. Guys, look at y'all. Y'all have been slaying me. I am so humbled.

I'm telling you, man, I take a step back every time that somebody says, hey, we listen to you every Saturday morning. I'm like, oh my God, who knew? So guys, got to give a shout out to the Morrises. Always got to give a shout out to Pastor Vanderbilt Evans Sr. You know, that's my guy there. I mess with him so bad and he jacks me up so much when I don't put that Sr.

on his name and his wonderful bride, Ms. Sandra Evans, always got to shout them out. They are God's people, man, but got to give a shout out to those who listen to us faithfully. McKellers, guys, the Simmons out of Jerusalem Baptist out in St. George.

Thank y'all church family for listening. Really appreciate you. My folks at Marion and Mullins and everybody tunes in from Hollywood, what you know no good all the way out the monkey's corner because guys, y'all know my mama live out there, y'all. So look here. Today, we're going to have a amazing time.

Look here. When we put the title for today's show together, I immediately, immediately went to Kenny Rogers and I went to, you got to know when to hold them. You got to know when to fold them. You got to know when to walk away and you got to run. So our theme, our subject today, guys, is when to hold, when to sell, making smarter real estate decisions with your equity.

Guys, look today, today, we're going to pick up something right here and I want y'all to make sure y'all scoop up what I'm putting down. So what if the best real estate decision you can make isn't buying another property, but knowing when to let one go. Today, we're inside a real transaction involving landlords, a non-paying tenant, 123,000 plus cash offering decision that had real financial consequences. We're going to follow the deal from initial call all the way to the closing table. We're going to take a look beyond the transaction itself.

So how do you make real estate decisions that protect what you built and give your family, guys, more financial options for the future? Our guest today, **Ryan Smith**, he is the owner of Cinch Home Buyers in Cary, North Carolina. He right up the road, y'all, and he has completed over 250 real estate deals and own more than 40 rental properties, which gives him extensive experience evaluating and investing in real estate. So why does this matter? Because a property can be investment and still become a financial burden. When that happens, the decision isn't simply about what the property is worth. It is about understanding the numbers, guys, the risks, the available options, and what outcome best serves the owner's bigger financial goals.

That's what makes real transactions, guys, valuable. They show us what happens when those decisions have to be made in the real world. So guys, look, please give a slow clap, but give an amazing welcome to none other than Mr. Ryan Smith. Ryan, how are you doing today, man?

RYAN:
I'm doing great.

I definitely appreciate the intro too. That was amazing. Thank you.

CORWYN:
So look here, man, if you don't mind, Ryan, please introduce yourself, tell our listeners who you are and what it is that you do.

RYAN:
So I'm Ryan Smith, founder of Cinch Home Buyers out of Cary, North Carolina.

Yeah, we've done over 250 homes, transactions, whether it's flips, holds. I have 40 rental properties right now, and I've just been in the mud, on the ground, everywhere. So this is just my life.

CORWYN:
Good deal. Good deal.

So look here, man, we're going to jump straight into this thing, man. We want to set the tone because we want you to help us to understand our listeners. Let's start with that. Let's get with the real basic. How did you get started? And then we're going to start talking through an actual situational scenario.

RYAN:
So I started real estate when I was like 22-ish. I was a realtor at first for KW. I didn't really like that. But I was heavy into BMX and doing tricks on bikes. I started with this place called Daniel Dare's Action Sports Complex, where I met a guy who changed that for me.

His name was Abel, one of the owners of the Carolina Hurricanes at the time. He saw me, he was like, man, you'd be a good sales guy. And I was like, I don't know about that. But I tried it. I just passed that.

He really showed me what was possible with real estate. He was driving a Ferrari. So I was in awe at the time. Early 20s, just in awe. And started a trucking company after that.

That failed. So yeah, I didn't really like it that much and just wasn't making money. So I got back into real estate. And that's when I started Cinch Home Buyers and put that money that I sold my trucks with. And then, yeah, I just started a team and just every day just started grinding.

Day in, from when I woke up to when I went to sleep, it was just real estate, real estate, real estate. That's how I got started.

CORWYN:
Man, I ain't going to keep you on it long. But when you said it, man, I was like, wait a minute. I said, I might be a kindred spirit right there.

Because man, in my former life, I used to own a truck. I'm a serial entrepreneur, brother. Man, first. So I cannot wait to get into the rest of this conversation with you. So we set the tone for the show today for an actual real situation scenario.

Landlord owns a property. Tenant's not paying. They're in an equity position, obviously, on it. What do they do? And this is obviously a scenario oftentimes that happens. It's commonplace, right? People in this situation and scenario.

So if you don't mind, I really would love to walk through what that situation looks like and obviously what role someone, what sense homebuyers plays in stuff like this as well. But you probably have seen it yourself on your side as well. So if you don't mind, drop the nugget, drop it right there as to who it is, what the conversation was in that situation with that particular landlord.

RYAN:
Perfect. So with us, we get a lot of people that call us from either referrals, they call us from Google, things like that.

We reach out to them, whether we're calling, texting, whatever various marketing that we've done over the years. This particular person or client in Garner, she was at her wits end. She had a lot of bills to pay. She was just really tired of having to deal with these people or the tenants as well. So what she did was she reached out to us.

At first, I was like, ah, I don't know if I really want this deal. But then I went further into it. I saw the zoning, which is very important to look up the zoning, looking up, okay, can this be put on water? Is there a sewer around? Or am I going to have to use the existing septic? Things like

that. And I say that because that's another high cost that's associated with repairs. So I figured out that it was on water, everything like that.

She hasn't gotten paid by these tenants on top of that. That's kind of why she reached out to me for months and months and months. And then she found out that the tenants moved in another guy that was living in an RV on the front yard. And he was also doing illegal drugs out there and stuff. So add all of those things and you have the perfect storm to be like, okay, I'm going to walk away.

So that's what we specialize in. We specialize in creating value for our clients at the end of the day.

CORWYN:
So a couple of things that you pointed out for our listeners, guys, tenants haven't paid rent in a long, long, long time. And on top of that, they done messed around and let somebody else in theory move onto the property with them. And who knows what that situation, the scenario was.

So I want to ask you, Ryan, to lay out one, what do you believe that the sellers had as options, if you will, at that particular point. But number two, I want you to walk us through, how did you get to placing a value on the property that worked for you? And my assumption is in this situation, which I know you'll tell us work for the seller as well, or the owner as well.

AD:
Real estate investment is also about recognizing opportunities. For investors looking to combine land and housing, Country Boy Homes offers another avenue to explore through its manufactured and modular home options. Whether it's identifying the right property or exploring land home packages, having the right resources can make a difference in building long term value. Let's take a short break. We'll be right back. You served your country with pride. Now it's time someone serves you. At Country Boy Homes, we believe every veteran deserves a safe, beautiful and affordable place to call home. We proudly offer VA loan friendly, manufactured and modular homes built with integrity, quality and your family in mind. Whether you're retiring to the peace of the low country or starting fresh with your family, we're here to build the future you've earned. Give us a call today, **843-574-8979.** Country Boy Homes, built to honor, built to last.

RYAN:
Perfect.

So we created value and figured out what it would cost by looking at how much each, because it was a package deal. So it was two parcels. The farther parcel had what's called easement problems. And if nobody, if people aren't really familiar with that, that's when there's access to the property, whether that's a driveway or whether that's just a piece of land that's designated for you to go through that first parcel. So that's what was an issue here.

And we ended up sorting out the easement problems. So we got the one in the back, which was significantly less than the one in the front, as far as a package deal. There was already a manufactured home on the back, technically where they were using an implied easement anyway, which means they were using it for years. So it was there already. And so I knew that we could get an easement pretty easy already.

So that's one step of the value. Another thing that helped us create value from that and kind of establish value was looking at what other homes, new homes sold for and what other new manufactured homes sold for out there. So the best thing was one of these houses, the manufactured homes next door sold for $300,000. $300,000. And we bought both of these parcels for $121,500.

So both parcels for that. So each parcel, same lot size for the one that sold for $300,000. So pretty much, what was it? We created significant value on that one.

CORWYN:
How did you get to that offer? So obviously you established, you did some comparisons, but how did you work those numbers up again? So they worked for you and apparently in this situation, they also worked for the seller.

RYAN:
There you go. So yeah, I came up with it seeing how much it would cost to put a new mobile home on it. Then I said, okay, each one of these would be approximately $250,000 to $300,000 depending on the home and also the time of and the market cycle. So real estate market cycle goes up and it goes down based on consumer speculation.

It's always supply, demand, and then a lot to do with mortgage rates and things like that. So we're speculating what a house is going to sell for.

That's what I do, but not to get too in depth. What a house is going to sell for versus what it's going to cost versus what our risk is going to be. And a lot of times with houses, like let's say it's out in the country, like far deep in the country in the woods, we wouldn't give as high as an offer as we would here. With all those costs and risk associated, that's how we came up with the offer. And with new builds and homes, we add a 70% or 30% contingency a lot of times just because we know realtors cost a certain amount, our holding costs cost a certain amount.

If we're using private money lenders, which I like to use on most of my deals are my relationships with my friends or at this point, friends and lenders, that's how we do it. And then I gave the offer to her based on that about, let's say on average 60 grand a lot. And she initially wanted 155 for it, but I knew I couldn't do it. And then that coupled with us having a track record like we do, she said, sure. And we closed just like we said we would.

She was very, very happy at the end. And yeah.

CORWYN:
So you made mention of something in there, Ryan, because initial offer you made was less than obviously what you was able to acquire at. I'm afraid probably about two, maybe three questions in this, but the offer that you made, again, the seller originally said, nah, I really want this. You obviously said, well, this is what we'll do.

This is what we can do. And that was it. Now, oftentimes people think that this thing is truly a negotiation, which is obviously as an investor, you're looking to acquire the property at the best opportunity. However, what I heard you say is that, look, we're going to give you the offer that we can pay based upon what we're projecting, knowing what we know now, this is it. And you're not playing games.

And as some people like to say, and you're not trying to whittle them down, if you will. And the consumer realized, wait a minute, well, this is what you do. You have a track record for it and you're trusted. So your reputation helped you in getting it done. So if you don't mind, give us like a little bit of insight further into that.

Because sometimes people just really get dialed into, hey, obviously they want the most for it. Don't get me wrong. But at the same time, getting a higher offer doesn't mean a higher offer is going to close. So if you would touch on that, but then let's start to walk through what happened after the seller took your offer.

RYAN:
And I say this all the time.

Other people can give you higher offers. There's going to be a person that's going to give you a higher offer. But two things, are they going to give you it in writing and then make sure that everything goes correctly? And then the next thing, are they actually going to close? Which is very important. I get it all the time. Somebody that may be just starting and came through a guru course may give you the highest offer that you've ever seen.

But that doesn't mean it's going to close. And they end up locking your property up for months and months. And actually, not to get too off track, but there's another client that I have in Jacksonville, North Carolina. And she actually was taken advantage of. She's an elderly lady and another cash home buyer from Florida.

They actually put her on a 120-day due diligence period, said that they were going to get her out in 30 days. So it's different what they said than what they put on paper. So that's one thing that a lot of viewers should be aware of too, is to actually read these contracts. So that's my thing. But the next question is, after we got the offer, she looked at it and it took her a couple days to reconcile everything.

I think she did go with and look for other people, but she ended up coming back to us just because of the track record. Whenever I'm teaching my sales guys, I always say, social proof,

social grouping. Those are very strong sales points. The number one thing that everybody looks for, every human being is they want to be comfortable and they want to be heard. If you can hear out everybody, what the issue is or what everybody, maybe not issue, but the road bumps in the road, what they have to get over.

If you can help them get through it, if you can help them be more comfortable, you're going to win significantly more. Now, there are other things. Some people are only in it for the money. Some people don't give you the true roadblock. So you always have to really just talk through it if you can, or if you're in person, really talk, listen, have them talk 70% of the time.

That's what I say. And then look at body language. How is everything going? Are they closed off? Are they...

There's a lot of things that I teach my sales guys when it comes to actually that I know I'm going off track a little bit, but...

CORWYN:
So let me ask you this. That'll get us to a quick snip and then we're off to the races, so to speak.

But you, in this process, took this property, only didn't have to evict, they had no lender contingencies and none of this other stuff. So in this particular situation, did the seller make more money in comparison than if they had listed and had to evict and wait for the tenant to leave and all that?

RYAN:
That's a loaded question. I don't think they did. They did not make as much money, but again, it's not all about money. A lot of times, it's a lot about comfort and making sure.

I think they had another investment that they wanted and something big that I'm always in is cash conversion cycle. How quickly can you make your dollar turn to $2 that turned to $3? Now, if they would have waited six months to close that and then have to evict the tenant, it may have taken them six months to turn $1 to $2 or whatever they wanted to do, whether it was turn their $1 to happiness, it would have taken six months. So for a lot of people, that's where the value is. It's turning that cash into happiness or whatever you want as quick as possible.

CORWYN:
Ah, good deal.

So for our listeners, guys, quick mention here, guys, if you're an investor, you're considering doing what we refer to as land home packages. You got the land, you need a home for it. That's where Country Boy Homes comes into play. Guys, we are a licensed manufactured housing and modular home retailer and we help investors to make land home. So Ryan, quick kind of recap, catch us up.

You guys have identified this property, made an offer to the seller, negotiated, if you will, in theory, seller accepted the offer, let's say that, in turn, move quickly to closing. You guys closed it, if I recall correctly, under three weeks. Let's talk about what do you think you did well in that deal and what you think you may have done not so well.

RYAN:
So not so well, let's start. I probably could have communicated with her a little bit more, probably.

Now, I did give her weekly updates, sometimes bi-weekly, but there may have been times where I could have communicated a little bit more because there's always things we can improve, for sure. Always things. As far as things I did well, we closed on time. We made sure that it was easy. She didn't have to ask like, what's going on? What's going on with this? What's going on with that? My transaction coordinator, she kept up with her, made sure things were on time, made sure our earnest money was in, made sure the attorneys, closing attorney out here, that they were good.

Every step was followed to the T, pretty much.

CORWYN:
A quick question here, but I'm going to lead us into another one. So I'm going to give you a two-parter here as well with a little sandwich in there. So we're going to make a sandwich here real quick. What can investors learn from mistakes that don't show up on a spreadsheet? Most deals start with a spreadsheet.

But on the other side, the flip side of it is for the owner, the investor, okay, what can you learn? But on the other side, and let's go back to our Kenny Rogers analogy, got to know when to hold them, fold them, walk away or to run. So how should a homeowner, property owner determine whether a property is still worth holding onto?

RYAN:
So whether a property is worth holding onto, I would say if your tenant is performing, there's appreciation that's available in the area, then like in the general geographical area, then I would definitely hold onto it. But again, that's somewhat different for each investor. So for me, I'm going to sell some of my rentals because I want to get more into bigger investments. And it depends on their risk profile, for sure.

So if your risk profile is, I would say you're more conservative, keep it, keep it, let the slow money roll in. If you're risky, things like that, then do what you think, sell if you want, or if there's major repairs, even that could make people's risk profile change or their appetite for their investment change, things like that.

CORWYN:

So I would say- Good, good, very, very good answer. So Ryan, this is a good place to make sure we got your contact. How can people reach out to you, get connected to Cinch Homebuyers? Because look here, you are a wealth of knowledge, my man, and people should have you as a resource.

So how can people get in contact with you?

RYAN:
I got a website, cinchhomebuyers.com. You can go to cinchhomebuyers.com/exitstrategiesradio. I have my full Garner Deal detail list there, and my phone number's up there as well.

So if you want to call, you can, or email, it's all up there.

CORWYN:
Good deal. So Ryan, I want to thank you, man, for being on with us today. We're going to close out with what we've been working on, focused on answering today for our listeners. But I want to make sure I get this out to you now.

I really appreciate you taking time out your schedule to be on with us today.

RYAN:
Anytime. I appreciate you having me.

CORWYN:
So listeners, look, guys, look here. This is what you need to be focused on, making sure you got an answer to.

And if you ain't get the answer or gleaned that from the information today, then this is what you need to call Ryan and ask him about. One, how should a homeowner determine whether a property is still worth holding? Again, when to hold them, when to fold them, when to walk away and when to run. What numbers should they know before they make that decision? What are the warning signs that a property is consuming more resources than it's creating? How should someone think about the equity they've accumulated in a property when they're selling become a wealth preservation decision? That's a big one right there. And if someone sells, how should they think about what comes next? Guys, all this is about legacy, where we move this conversation from one transaction to intentional wealth building and stewardship. The question is, is this asset helping me build a financial future that I want for my family? So guys, this is where you apply it.

This is where you apply it. Who owns it? If it's becoming a financial headache, what's the first thing that you should do? What are the numbers telling you? What should you do? What questions you should ask before accepting a cash offer? And how are they, that offer, comparing to holding, selling, or reinvesting those funds objectively? So it's simple guys, know

the value, know the equity, know the cash flow, know the risk, and know your alternatives. And then make the decision that is best, that is truly best for you based on your bigger financial future. So guys, if someone is building wealth through real estate because they ultimately want to create more opportunities for their children and future generations, how should our long-term goal influence the decisions they make on their properties today? So my takeaways for you all, real estate ownership doesn't automatically mean an asset is creating wealth. Make sure that you understand the numbers before making emotional decisions.

Protect equity when circumstances change. Remember that the highest offer is not necessarily the best financial outcome because you got to know when to hold them, know when to fold them, know when to walk away, and when to run. Make sure that you learn from the mistakes and engage intentionally on all your transactions. Guys, today has been awesome. Again, Ron, one final time, thank you so much for taking time out to be on with us today.

It has truly been my honor and pleasure to be with you. For our listeners, guys, y'all know how I feel. You know what I say. You know I always put the two of those things together and I give it to you this way, which is to tell you that I love you, I love you, I love you, and we're going to see you guys out there in those streets.