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HOW TO PRESENT HOMEVESTORS

# **Quick Guide**

#### 1 Who is HomeVestors?

HomeVestors, the "We Buy Ugly Houses" company is franchise system composed of a network of Real Estate Investors that buy, sell, and fix houses typically in disrepair.

# How do our Zs buy so many houses per year?

Our franchisees can use lending programs available and exclusive to HomeVestors Franchisees. These programs can provide up to 100% financing for the purchase price of the home plus repairs. This means your client does not have to have a ton of money to get started in Real Estate Investing right out of the gate. They can use the programs to build their business.

#### 2 How does it work?

Franchisees take phone calls directly from sellers through the advertising that our in-house marketing agency produces. This includes:

- Digital media
- Direct mailers
- TV and Radio
- · Outdoor/Billboards

#### 4 Do you need a Real Estate License?

No, you do not need a real estate license to become a HomeVestors franchise owner. No prior real estate investing experience is necessary.

Key takeaways.

### **5** Who is our ideal candidate?

Someone with a high D personality type. Relationship focused/ friendly/ outgoing individuals. People who do well in this business typically come from these industries:

- Legal/ Attorneys
- Medical Sales
- Project Managers
- Construction
- Military
- Finance/ Money Managers
- Real Estate Brokers/ Investors
- Sales Professionals
- Company Executives
- Business Owners

# What is the most crucial aspect 6 of the business?

Marketing commitments are crucial, in order to generate leads. If your client does not understand the fundamentals of marketing, they will not be successful. Item 19 illustrates our top middle and bottom quartiles clearly. For every \$1 spent on marketing the average ROI is \$7. Without a consistent marketing investment, the franchisees phones will not ring. Consistency is key!



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# Is HomeVestors a feel-good business?

In most cases, the people we help are going through challenging situations, and we are their only hope or lifeline. Some of the clients we interact with may be facing foreclosure or have homes that require extensive repairs, which in some cases are far beyond what they are able or willing to tackle. Sellers call us for help, our franchise do not cold call or cold text asking, "if they want to sell their homes", unlike others out there. Our franchisees are there to provide hope and a possible solution to their challenge.

# How much does my client need to **9** know about Real Estate Investing?

Our franchise system works regardless of experience level. If your client is a novice, they will be guided and mentored by a seasoned real estate investor. If your client has prior experience, they can use our proprietary tools to take their business to the next level. They will also have access to their mentor, regardless of level of experience.

# How does HomeVestors compare againts other concepts in the same **8** space?

- Our franchisees make offers they can close on quickly and stress free.
- Our proven model dates back to 1996.
- Over 1000 franchisees nationwide.
- 95% satisfactory rating amongst the customers we help.
- HomeVestors is a Marketing Machine, we generate off-market deals through the advertising that we do.
- We have lending programs available to buy and fix houses.
- Each of our franchisees is assigned with a dedicated mentor/ coach (Developemnt Agent) for the entire duration of their franchise agreement,

# Why should my client prioritize on **10** chatting with your team?

Education is crucial. Understanding how our business has thrived for the past 27 years provides valuable insights into our organization and demonstrates how our system can align with your business goals. By leveraging our well-known brand, you can accelerate your business growth and avoid the complexities of real estate investing on your own.

Minimum Cash Requirement: \$89,000 (average market)

Franchise Fee: \$39,000\* Associate Franchise

Franchise Fee: \$85,000 Full Franchise

Royalties: 0-5%\*

Ramp up time: 60-120 days

Total Initial Investment: \$85,000-\$461,250\* (Based on markets

ranging from low to high).

**Vet Discount: 10% off Franchise Fee** 



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# Are there protected **11** territories?

HomeVestors operates under a shared territory model, without protected territories. Unlike traditional franchises, our system thrives on collaboration. The more HomeVestors franchisees in an area, the greater the collective marketing budget, amplifying our efforts. This teamwork results in increased phone calls and opportunities, benefiting everyone involved.

# How are the calls or leads **13** distributed?

Since everyone in a given market contributes to a shared advertising pool, leads are distributed proportionally based on each franchisee's investment. For example, if Marie invests \$1 and Bertha invests \$3, Bertha will receive three times as many leads as Marie.

# How much money can my client **15** make?

Per FTC guidelines, we cannot make earnings claims. However, your client can gain valuable financial insights by reviewing Item 19 of our FDD and speaking with franchisees during the validation phase of discovery and education. By considering their marketing investments and financial goals, they can better understand the effort required to achieve their desired results. Our technology and dashboards can assist in calculating what is needed to meet these financial goals, though individual results will vary.

# What happens after they buy a **12** house?

Franchisees have 4 exit strategies; they are as follows:

- Fix and Flip
- Wholesale (Assignment)
- Wholetail
- Keep as a rental

### 14 What does training look like?

Training takes place over two weeks. The first week is in a classroom setting at our Dallas, TX headquarters, covering sales techniques, deal calculations, opportunity identification, and meetings with our leadership team. The second week consists of self-paced modules completed from home.

### **16** What are the next steps?

To get started, submit your territory check to **Lesly Harden**, then send your introduction or collaboration request. She will arrange an introductory call with our team for a deeper discussion.

Contact Lesly Harden:

- Text/Call: 972-532-8002
- Email: Lesly.Harden@homevestors.com Territory checks are returned within 24 hours, and introductions are typically processed the same day.



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### **FAQs**

#### 1. MY CLIENT THINKS THEY CAN DO THIS WITHOUT THE HELP OF A FRANCHISE.

We often hear about the challenges faced by real estate investors. Our model streamlines marketing, which is essential for expanding a real estate investor's portfolio. Investors can focus on acquiring as many properties as possible at the lowest cost, without the hassle of worrying about where their next lead will come from. Our system has been successfully doing this for over 27 years.

#### 2. MY CLIENT FEELS UNCOMFORTABLE BUYING SOMEONE'S HOME AT A DISCOUNT.

Our business model focuses on buying homes at a fair price, not retail. Most of the houses we purchase need extensive repairs, and sellers often seek professional help to make them marketable through a realtor. However, due to the home's condition or repair costs, they can't manage these projects and reach out to us through our advertisements. They come to us for assistance, as doing nothing could mean losing everything.

#### 3. DOES MY CLIENT NEED TO KNOW HOW TO REPAIR HOUSES OR WORK IN THEM?

Absolutely not. Our most successful franchisees have never swung a hammer. HomeVestors offers national and regional vendors, plus a coach or mentor with a list of trusted contacts, including GCs, electricians, and plumbers, who also provide cost savings.

#### 4. WHAT DOES THE DAY IN THE LIFE LOOK LIKE FOR MY CLIENT?

Franchisees handle calls from sellers directly, setting up home appointments promptly. Once an offer is accepted, they decide the best course of action for the property—whether to fix and flip, wholesale, wholetail, or keep as a rental. They manage projects, ensure timely progress, and work to prepare properties quickly. Additionally, franchisees actively follow up with sellers, consult with development agents (mentor) for feedback, and engage in various proactive activities to grow their business.

#### 5. WHAT KIND OF LOANS ARE USED TO BUY THE HOUSES?

Our franchisees use hard money loans, guaranteed by the franchisee, with a minimum credit score of 650+ and no asset verification. Terms are typically 6, 9, or 12 months, with interest-only payments ranging from 10.5% to 14%.

#### 6. DOES HOMEVESTORS WORK IN ALL MARKETS?

Yes. The brand also works in any economy because it is a needs-based business. It is also recession friendly.

#### 7. WHAT IS THE DIFFERENCE BETWEEN ASSOCIATE AND FULL FRANCHISE?

People with less liquid capital can get started at the associate level, which includes an ongoing royalty fee of 3-5%. In contrast, the full franchise has no ongoing royalty fees. A portion of the associate franchise's royalty fee will be applied towards the full franchise fee.

#### 8. DO YOU WORK WITH E2 VISA CLIENTS?

Yes, we do!