



# THE LANDGEEK

## The Art of Passive Income Podcast With Mark Podolsky and Scott Todd

Today's Guest: [Mark Ferguson](#)

### Transcript

**Mark:** Hey, it's Mark Podolsky, the Land Geek, with your favorite nichey real estate website [www.TheLandGeek.com](http://www.TheLandGeek.com) and before we talk to today's guest, who is kind of a big deal in real estate and passive income, too, I would be remiss if I didn't properly introduce my co-host. Six Sigma, the automation specialist himself, Scott Todd from [ScottTodd.net](http://ScottTodd.net), [LandModo.com](http://LandModo.com). And most importantly, if you're not automating your Craigslist and your Facebook postings, [PostingDomination.com/TheLandGeek](http://PostingDomination.com/TheLandGeek). Scott Todd, how are you?

**Scott:** Mark, I'm great. How are you?

**Mark:** I'm great. I'm great. Are you excited about today's guest?

**Scott:** I'm exhausted just hearing what all he's got going on. So yeah, I can't wait to hear his story and to get some nuggets from him and I can't wait for him to hear about our passive income model.

**Mark:** Yeah, yeah.

**Ferguson:** So, we are set, right?

**Mark:** Yeah, yeah, absolutely. Before we talk to our guest, I just want to remind the listeners. Today's podcast is sponsored by [PostingDomination.com/TheLandGeek](https://PostingDomination.com/TheLandGeek). Because let's face it, Scott Todd, when you can press one button and put up 124 ads, you're dominating on Craigslist.

**Scott:** And you know what? They've got to stick too, right? That's what we teach in Posting Domination is how to defeat that one website, Craigslist, algorithm. Maybe they will buy Posting Domination like for everybody or pick it off the market.

**Mark:** There you go. There you go. Well, our guest today I know can take advantage of Posting Domination because it's Mark Ferguson from [InvestFourMore.com](https://InvestFourMore.com). If you don't know about Mark, he is a professional land investor, he's at 120 flips, he's currently working on 16 flips, he's a real estate agent with a team of 10. Mark Ferguson, you are a big deal. Welcome to the podcast. How are you?

**Ferguson:** Great to be here, Mark. Thanks for having me. I'm excited.

**Mark:** So, Mark, how does Mark Ferguson start as a real estate agent and then go into the house flipping real estate star that you've become today?

**Ferguson:** Well, I got my degree in finance back in 2001, couldn't find a banking job which is what I wanted. So, I went and worked part time for my dad as an agent and that turned to a career. He flipped houses once in a while and I kind of fell in love with that part of the business and built that up and up and up and ended up buying him out eventually and taking it over and just trying to build it bigger and bigger.

**Mark:** So, what do you like about house flipping and what don't you like?

**Ferguson:** I like seeing the houses turn to something different. I like going there, make repairs, sometimes changing the floor plans a little bit, adding value and I like to say I'm addicted to buying houses. I am addicted to a good deal. I can't help buying more and more and more. That's really the

fun part of it—whether it's rentals, whether it's flips. I just love finding those great deals.

There are some very stressful parts of flipping as well. Finding contractors is a constant struggle. We are starting to build up our own crew because it's such a hustle finding good contractors. You find good ones, something happens to them, they stop working as hard, they start charging more. There are these issues you have to deal with when you're doing that many flips. Like yesterday we had an inch and a half of rain in 15 minutes and one of the basements flooded, we had hail damage on other properties. When you have that many flips going, a storm becomes a really big deal trying to get everything taken care of and check on everything.

**Mark:** Wow. Scott Todd, what do you think?

**Scott:** Well, is it the excitement of the deal that you like to hunt down? And then like you said you like to see what it transforms to, right? But flipping is not that easy. So, why is it that there is this draw in the marketplace to be a flipper? What's the draw?

**Ferguson:** You're right. It's not that easy. There is a lot that goes into it as far as figuring cost, making repairs, getting your numbers right, and finding deals is not easy. I think a lot of it has been glamorized by television. You watch HTTV and the shows and they make it seem so simple like, "Oh, you just pick up a deal and you do some repairs and then maybe there is a hiccup here or there, but you make \$100,000 on a deal." I think people see that and they think they can get it done on the weekends and it's not that difficult and they make all this money.

But there is so much more to flipping that they don't understand and that's really the difficult part and the stressful part. That's why you see so many people jumping into it. Plus you've got the big companies teaching people at their seminars and charging big money to try and glamorize flipping as well, which I think draws out a lot of people who think it's going to be simple and easy and just a weekend job.

**Scott:** Right.

**Mark:** So, if you could do it all over again, Mark, what would you have done differently?

**Ferguson:** You know, in the beginning of my career when I was an agent, I had very few goals. I was not really into self-help. I kind of thought I could do it all myself. So, I really started to see success when I started setting goals, going to conferences, really trying to work on myself. So, one thing I would do earlier is just really network with people, learn from others, find people who could teach me. I had my dad who helped me but I didn't listen to him much. I tried to do it on my own still. Just listen to people more, be willing to not think I could do it all myself and then I would have bought rentals and properties much earlier. Because flipping is a great income but it's more of a job than it really is investing because once you sell that house, you're done. So, rentals I think are really a key to that passive income building wealth where flipping is more of a job.

**Mark:** Yeah. I learned that the hard way too. When I first started, I just flipped, flipped, flipped and I really regret it to this day. It was one of my biggest mistakes for sure. If you're going to say that you only could invest in one class of real estate right now in today's market, what would it be?

**Ferguson:** That's tough because I started out with single family rentals. That was what I really liked. But 2010-2015 was when I bought most of my rentals when the market was down, rents were still pretty high. You can get amazing cash flow in my area. I'm in Colorado where prices have gone from 110,000 to 260,000 for median values. So, it's being an incredible appreciation and rents haven't gone up that much so they are not really that great of a draw anymore. What I've really moved into now is commercial. I've started looking at kind of industrial flex space, shop space, warehouse conversions that are easier to manage and there is a lot of opportunity for growth and there is huge demand here right now for it.

**Mark:** I like it. I like it. What do you think, Scott?

**Scott:** So, again are you chasing the deal or do you think that the market changes to where you have to do that to sustain, like the move to commercial, is that because you wanted to or really because the lack of deal flow?

**Ferguson:** I think it was both. I think the lack of deal flow forced me to do a couple of things and the first thing I did was look for new markets. I looked at Florida. I looked at some other markets where prices were much lower, rents were higher in comparison. I even bought a property in Cleveland as a turn-key rental and I really like those markets but it's not easy to buy out of state when you're 2,000 miles away. So, I kind of put that off, put that off and then also I knew my flipping business has been taking off. My project manager, Nikki, is like, "We really need shop space. We need somewhere to store all of our material, all our stuff." I'm like, "Okay." I started looking into shop space and commercial and I saw this opportunity there and I got really excited about it.

I saw this opportunity where you could take buildings that weren't managed well or were vacant or needed some kind of work. And kind of like large multifamily apartment buildings, you could raise the rents, add value and really increase their value based on better management, better use of the property. And kind of seeing the scale you could do with some of these properties was really exciting, got me completely out of my comfort zone and really challenged me. So, it came from necessity but it turned into something really exciting and really fun.

**Mark:** How are you going to finance this stuff?

**Ferguson:** That's the tricky part. There are local banks who will help me but they are doing 70% of the deal. They will do some of the repairs, but then my own cash will be involved, partners will be involved. I've got a couple of partners who are working with me now. I actually have a deal under contract now that's 280,000 Sq. feet. So, that's a bit of a challenge and it needs a lot of work. It's been vacant for 13 years so I would probably be making more repairs than the property cost. But yeah, I definitely need partners. Contracting, finding people who can work on a place like that is a challenge. Completely different than flipping and it really has gotten me out of my comfort zone. It's been exciting and stressful at the same time. But it's fun.

**Scott:** So, there is a building that's in my hometown. It's one that growing up I drove past it on the interstate all the time. It's like an office kind of a complex. I keep driving by this thing and I tell my kids. I'm like, "I want to

buy that building one day. I want to buy that building one day." I remember when it was like newer, like it was in better shape and it needs repair, okay? I even like have dubbed it—my last name is Todd—I've dubbed it Todd Tower. The kids kind of get a chuckle out of it, but deep down inside I really think that there is an opportunity. Where do I find the money? Where do I find the partners that can help me put in that money so that I can make my Todd Tower dreams come true?

**Ferguson:** You know, most of my money comes from other investors, real estate investors in the area and they have helped me. They have invested money with me on my flips because they've seen me doing it for so long. They've seen my experience and they are familiar with real estate, so they are really easy to work with. You don't have to do much convincing with them if it's a good deal. They see it and they are like, "Okay, sure." I can text one guy and say, "Hey, I've got a new deal. Do you want to fund it?" He's like, "Yeah." He doesn't even ask for the address anymore. It's just a matter of are you going to pay 10% interest or what are you going to pay on it?

So, I think you start with people you know, networking. Those are the people you always start with. It's who you know in the area. A lot of times people have a lot more money than you think and just telling them about certain deals, telling them about what you're doing. You don't even have to ask them sometimes. They will start to inquire and get curious and then you can go deeper and deeper into what you're doing.

Besides that, my plan is to go for some other bigger fish in my town. I know there is a couple of people doing some big developments. My town is 100,000 people, so it's not huge. But there is one family that's bought 18 properties in a couple of blocks. They are planning to do some major developments. They put up a new hotel. I know who some of the investors are there. Then some of the investors who are investing with me are like, "Hey, I've got a buddy. I've got a friend. I know someone." My lawyer is like, "Hey, I know someone." My CPA is like, "Hey, I might know someone." You've just got to network and talk to as many people as you can.

**Mark:** So, you've got a podcast, you've got a forum, you help people learn how to buy and sell real estate. What's a typical newbie question you get about flipping?

**Ferguson:** I think a lot of people ask me, "What do I do if I don't have any money? How do I get started?" It's tough because it's not easy to flip without money. There are some hard money lenders out there who will lend you a lot of the deal, but most likely not all of it. If you can find partners like we just talked about, local people who can help you out, that's probably the best way to do it without money. But what I tell people is one of the best ways to get started in real estate—whether it's flipping, rental—is to use your owner occupancy qualifications to buy a house, live there in a year or two and then sell it or rent it out. You can buy with so much less money. It might take some time. It's not going to happen overnight, but it's one way to get started.

So many people I talk to, I'm like, "Have you talked to a lender?" Like, "No." I'm like, "Go talk to a lender." Even if you know your credit is horrible, they can help you fix it. They can tell you how bad it is. They can tell you if your debt to income ratio is bad. They can help you fix your own financial situation. Even if you're wholesaling, even if you're doing off-market and stuff where you don't plan to use a loan yourself, at some point you may and the sooner you can fix your own financial situation, the better off you will be.

**Mark:** I like it. I like it a lot. So, let's talk about your dad for a second. What would you say was the biggest life lesson that you learned from your father especially in real estate?

**Ferguson:** Yeah, to do business the right way. He was an agent or he still is an agent but he is retired. He isn't doing any deals anymore. He started in '78 right before I was born and he was very well known in our community for a very long time. The biggest thing he was known for was being honest and putting his clients above himself and that got him so much repeat business, so many people respected him. So many people trusted him that at the end of his career, he didn't have to advertise, he didn't have to market, he had people coming to him.

You can use that same mentality in investing as well where I haven't backed out of a contract in probably four years. If I say I'm going to do something, I do it. I don't play games with inspections. I'm not trying to beat up sellers over nickels and dimes. I try and build up my reputation as if I say I'm going to do something, I'm going to do it. Now I have agents coming to me or sellers coming to me trying to give me deals because they know if they are in a tough situation, I'm not going to mess around with it. I'm going to make it right. I'm going to do what I say I'm going to do.

**Mark:** Yeah. It's a great lesson about patience and trust. Right, Scott?

**Scott:** Yeah, that's right.

**Mark:** A lot of people—they give themselves let's say 90 days to start establishing something in real estate. It's not enough time to build a track record. It takes patience. It takes grit. It takes a constant supply of energy and action and motivation. Mark, what other adjectives would you add to that to say, "Okay, if you want to be a successful real estate investor, this is the recipe that you need to follow."

**Ferguson:** Patience is huge like you said. It's not going to happen overnight. Even if you're trying to do... There are so many people trying to sell wholesaling as get rich quick with no money involved. It takes a long time to set up a direct mail campaign. It takes a long time to find motivated sellers. Same thing with rental properties or fix and flipping. You've got to learn your market. You've got to find contractors; learn what repairs cost. There is so much that goes into it and being patient, persevering, really studying and educating yourself, as well as just making sure you take action at the same time. You don't have to buy a house but going out and seeing houses, talking to lenders, talking to CPAs, whatever you can do to get yourself out there. The sooner you start, the sooner it will happen. But like you said, it won't happen for a few months at least, sometimes much longer.

**Mark:** All right. So, you're going to have a dinner party, Mark, of your three favorite real estate investors or podcasters or whomever it may be. Who would you invite to dinner and what question would you ask them?



**Ferguson:** All right, I would invite J Scott. He's a well-known flipper, wrote a really good book *The Book on Flipping Houses*. So, he is from the corporate world and super smart. I mean really smart. I would pick his brain over and over again just about the mentality of how he runs his business because he does so many different things. He's got inventions and all kinds of stuff going on. So, I just want to pick his mind on inventions.

I think even though they are one of my biggest competitors, Bigger Pockets is a great site. They do a really good job. Brandon Turner would be fun to have and talk to about... He does a lot of great YouTube videos. He does a lot of great writing as well in his books. He's also an investor right now in today's market. He's not one of those people who did things 20 years ago and still trying to teach people how to invest. So, he would be a good one. And finally, I think, boy, I would say... Well, of course you, but I can't count you because you've got to get out your own show.

**Mark:** Flattery will get you everywhere.

**Ferguson:** I already had you on my show, so obviously...

**Mark:** I know.

**Ferguson:** Jay Hinrichs is someone who doesn't really have his own podcast or show or teachings but he was someone on my podcast who was really, really good. He has done land development, developed timber, done hard money, done subdivision development as a broker, turn-key rentals. Just did so many things in his career. I would want him to just pick his mind on business and how he's progressed through his career from spot to spot to spot and just finding more and more opportunity.

**Mark:** I think those are really good people to definitely have for dinner. Scott Todd?

**Scott:** Who would I have for dinner?

**Mark:** Well, what do you think of his guests?

**Scott:** I like them. I think that the fact that you're not necessarily going after people that are just in your circle, they are the people that you want to learn from. It sounds like you've gotten a distinguished list there of people based on intelligence and other things. I think a lot of times people get caught up in the fact that they are either afraid of somebody. Like you said, maybe you and Brandon compete against each other. Hey, embrace the competitor because it's not like you've got to go there and be enemies or duking it out. The reality is that there is enough for everybody in this space and I think that a lot of times people get confused by that. They don't want to like their competitors but there is no reason not to.

**Ferguson:** Very true and Brandon... I was on Bigger Pockets podcast; Brandon was on my podcast. And sure, we compete but there is a lot you can learn from each other and working together is much better than trying to choke each other out.

**Mark:** Now when you say you compete, he's in Denver?

**Ferguson:** Well, I just mean as far as our blogs and our space goes. Bigger Pockets was started in Denver so we don't compete as investors but we compete. We both have podcasts. We both have real estate books that are in the same genre and do very well. So, they are definitely bigger than I am and they have a lot bigger populous but we are in the same space as far as that goes.

**Mark:** Okay, great, great. Well, Mark, we are at that point now in the podcast where we are going to put you on the spot and ask you for your tip of the week—a website, a resource, a book—something actionable where the Art of Passive Income listeners can go right now. Improve their businesses, improve their lives. What have you got?

**Ferguson:** Yeah. I think my tip of the week is kind of what we were talking about earlier with your market. There is a lot of people teaching how to buy rentals, how to flip, if you should buy multifamily or commercial or if you should buy cheap houses, expensive houses. I think you have to look at your market. Real estate is so location specific and multifamily might not work in your market. Commercial might not work there. Single family homes might not work there. But there probably is some investment that will work in your

market and just studying values and rents and opportunities will help you figure out what the best investment is there. So, don't close your mind off to certain investments in your market. Really have an open mind to what may work.

**Mark:** I like it. I like it. Scott Todd, what's your tip of the week?

**Scott:** Oh, boy. All right, Mark, it's a book. You've heard of Gene Simmons, right?

**Mark:** The rocker?

**Scott:** The rocker, Kiss?

**Mark:** ♪ I want to rock and roll all night. ♪

**Scott:** Yeah. We've got to take that mic away from you I think. But it's okay. It's all right. So, he wrote a book 2014 called *Me, Inc* and it's an interesting book. He starts off like most authors like the first half is his story which very interesting story; what you can learn from him. The second half is kind of him telling you how you should build your own brand, how you should bring out that rock out in you as part of the title. There are chapters of it that I just passed through because he talks about women. You're going to start your business, there is a whole chapter dedicated to women and to children. I passed through those because it didn't apply to me and that's okay.

But what I thought was fascinating was he does give you some real examples of the way that he thinks and I think that that's what I enjoy. Anytime I can get into the mind of how someone who is more successful than I am thinks then it kind of helps you to see like, "Man, that's an interesting way of thinking." And then when you come across a pattern or something else in the future, you can see how maybe that would apply to you. I found the book to be pretty fascinating. You guys should check it out.

**Mark:** Wow, very cool. It's funny because when you see the guy, you don't think much of him. He had that reality show and he had some scandal.

**Scott:** Yeah, and he talks about it in the book. He talks about being selfish and immature all of his life and he kind of explains his 'why.' Why he felt like he was that way. But, the guy is extremely intelligent, like extremely. The stuff that he has put together and you wouldn't even realize. Here is an example. He was basically saying that he found... he like uncovered or he discovered, I guess is the right word. He discovered Van Halen.

He had created his own recording label, I think it was called Kiss Records at the time and he signed Van Halen to a recording contract with Kiss Records. His entire vision for Van Halen was that they would open on his tour on the Kiss tour, they would open in every city and he would give them basically all of this publicity. He would help them to build this entire fan base and obviously, he would benefit from a revenue stream. In addition to Kiss, he would benefit from this revenue stream of Van Halen. I mean, sounds logical.

**Mark:** Passive income in the rock business.

**Scott:** There you go. He had four members of Kiss and two of them did not approve and he basically had to go and tear up the contract for Van Halen and say, "I'm sorry; we can't do this." Basically, that was like almost towards the end of his partnership with his first band mates if you will. It just kind of goes to show you like here is the ultimate business guy. You look at him as some kind of a crazy rocker, but behind that crazy rocker is a true businessman who's really looking at passive income. You wouldn't believe all of the trademarks that he owns. He owns so many trademarks and he is always looking for abilities to turn on passive income sources. Here is a trademark that he owns. You ever see like the cartoon of a moneybag with dollar signs on it?

**Mark:** Yeah.

**Scott:** That's his.

**Mark:** This guy is a genius.

**Scott:** You wouldn't even know, man. You would not even know.

**Mark:** All right. I am definitely going to have to read this book.

**Scott:** Yeah, it's really good.

**Mark:** I remember being a kid and I didn't love the music as much as I loved the records and getting to toy with the records, right?

**Scott:** Yeah.

**Mark:** It's interesting because I can't think of another band. Now there is maybe a few of them, but he really had an anonymity in a way which most of these rock stars don't have except for maybe Sia and those guys that...

**Scott:** Yeah, I know what you're talking about. I can't even think of... They wear like the robot.

**Mark:** Mark Ferguson, you know who we are talking about?

**Ferguson:** I think so.

**Scott:** What was their song? All night have fun, whatever.

**Mark:** Yeah, yeah, they are big, but you don't know what they look like.

**Scott:** Now see that's the other thing that Gene Simmons did is that he literally trademarked their faces and you can't trademark a face. Like I can't trademark my face but because of the paint, he could trademark the paint and he could trademark the faces. So, the faces are trademarked. The logo is trademarked. This guy has trademarked everything. In the book, he actually walks you through this whole...

Literally, this is what he said. He said, "Look, I'm going to come up with an idea right now. Let's call it Baby 101" He's like, "Now what I'm going to do is I'm going to go and check to see if the trademark is available. It is available." He's like, "I'm going to trademark it. And then what I'm going to do is I'm going to just think about how can I do this? Well, there is a lot of moms that don't really know what they are doing with their baby. You have to take a driver's test but you don't have to take a baby test. So, maybe I'm

going to provide content on, "Hey, when your little baby is crying, screaming, maybe this is what it means," and we are going to have a TV show that teaches them how to do this. Then what I'm going to do is I'm going to find a producer because I don't know anything about babies. I don't know anything about production. I'm going to find a producer who is going to help and they are going to basically take the concept and create it."

"Then what we are going to do is we are going to go to Target and we are going to get Target to license from us the Baby 101 name for clothing and for baby stuff." He's like, "So then I'm going to get an income stream from that. The TV show is going to be the infomercial for the product line and we are going to have a formula and we are going to have all these other..." So, this is the way this guy's mind is thinking. So, after I get down with that section, I'm like, "Wow." I go and I look up the trademark Baby101. Sure as heck, man. He just registered it in 2016.

**Mark:** Unbelievable.

**Scott:** Gene Simmons' company owns Baby 101. Like why is that not trademarked?

**Mark:** Unbelievable.

**Scott:** Try to trademark the Land Geek real fast.

**Mark:** I will. Yeah. My tip of the week is, learn more about Mark Ferguson. Check out his podcast. The first place to start is Invest Four, F-O-U-R More, M-O-R-E.com, I will have a link to the site and learn all about real estate and if you want to be a real estate agent, he's got information on there, too. Mark Ferguson, are we good?

**Ferguson:** I think so. I read a really, really good book, too. It's hard to say online but *The Subtle Art of Not Giving a F\*\*\**.

**Scott:** I love that book. That book is awesome.

**Mark:** I just finished it and I will tell you what was interesting to me about this book is this guy is young. He's really young like in his 30s young, but

he's been through some stuff. I thought there was some very ancient type of wisdom coming from a 30-year-old. I thought the book was great. Scott, what do you think?

**Scott:** I thought it was a fantastic book. I actually used it as a tip of the week. I've had some people tell me like, "Oh, man. I'm surprised that you like that book." Because it was self-help but at the same time I just saw the way this guy thinks is incredible.

**Mark:** Yeah, yeah.

**Scott:** I laughed the whole time, too.

**Ferguson:** It's really funny. It's really funny.

**Mark:** It's funny. Yeah, it was great. It was great so great tip Mark Ferguson. I want to thank all the listeners. The only way we are going to get the quality of guests like a Mark Ferguson from [InvestFourMore.com](https://InvestFourMore.com) is if you do us three simple favors. You've got to subscribe, you've got to rate and you've got to review the podcast. Send us a screenshot of your review to [Support@TheLandGeek.com](mailto:Support@TheLandGeek.com). We are going to send you for free the \$97 *Passive Income Launch Kit*. Scott, are you ready?

**Scott:** Oh, boy.

**Mark:** We are doing this?

**Scott:** Okay, let's do it. Ready?

**Mark:** One, two, three...

**Mark & Scott:** Let freedom ring.

*[End of Transcript]*