



THE LANDGEEK

The Art of Passive Income Podcast With Mark Podolsky, AKA The Land Geek

Mark & Scott talk with Mike Ferreira

Transcript

Mark: Hey it's Mark Podolsky the Land Geek with your favorite nichey real estate website www.TheLandGeek.com and I'm always excited for this type of podcast when we reach out to a student and we get to hear about their journey. But before we talk to our student I'd be remiss if I didn't properly introduce my cohost you know him, you love him, six Sigma, The Brain, The Professor; Scott Todd from ScottTodd.net, LandModo.com and most importantly if you are not automating your Craigslist and your Facebook postings PostingDomination.com/TheLandGeek. Scott Todd how are you?

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

Mark: Pulse is still normal, respiration's fine, I can't complain. So let's talk to Mike Ferreira. Mike how are you?

Mike: Great Mark. And Scott how are you?

Scott: Good.

Mark: So the way this podcast occurred was Mike's been crushing it kind of silently, no one knew and he made a Facebook post and we're like holy cow you've got to talk about your journey. So Mike let's just rewind the tape and

kind of let us know when did you start with Land Geek and how did you get started and what your background is?

Mike: Sure. Well, before I got into land I had a business buying gold and silver online. One of those deals where people pack all their silver and gold into a box and mail it to me and then I pay them. So because of that business I knew anything was possible because that sounded like an impossible business model to me but it worked and it worked great until it didn't work so great anymore. Regulations and a lot of different things all happened at once that made that not quite as fun as it had been.

So I decided to look for something else and actually I listened to a lot of podcasts and came across your podcast. At the time I was spending some of my time in Florida and some of time up in Vermont. So I would do a lot of driving back and forth so I would just binge on your podcasts and listen to them and it sounded like a great idea. So I took the plunge back in May 2014 and bought the Investors Tool Kit and I watched and listened to about half of it and then kept getting pulled back and forth. Should I really focus on my existing business or should I try to do both at the same time or should I just do land? What should I do? It was kind of like a bad relationship going back and forth. So it kind of sat I would say for almost a year until I really thought about it more, kept listening to the podcast and said you know what I need to look at this again.

So then I jump in. I went through the Tool Kit and I put my head down and just started working. Mailing, marketing just like you say and did a lot of it. A lot of it by trial and error because I didn't do Flight School or back then I don't think there was Flight School, I didn't do coaching. So I had to make my mistakes and get my lumps along the way but I did it and I just stuck with it and I worked and I worked and I worked it until it was fantastic. Till it got to the point where I never even considered doing my old business anymore, this was much easier, much more fun and makes more money and now it's a great income. It's been a huge success.

I focus mostly on selling with owner financing, so the passive income is great and the only thing I would change in my journey that I have had is I would have done coaching or something else because it has taken me longer to get to where I am than it probably would have. I was thinking back on that here and came to the conclusion that probably if I had done that or if there was Flight School at the time and I had done that the learning curve to really rocking this business would have been so shortened. I probably would have made a quarter of a million dollars more than I have in that amount of time. So the investment would absolutely have been worth it to me but, you know, I did it the way I did it and still happy. So here I am.

Mark: Amazing, amazing. Scott Todd what's your take away?

Scott: Well, I think it's a great story. I think Mike's right. Mark, not to make this a promotion for Flight School but the thing about Flight School is that like I remember you and I... I was in Phoenix at the time and I went to your office and when we were talking about like man how do we give people a head start? Remember, like we were talking about like a weekend event, remember that they would just stuff, we were going to help them mail out their letters on one weekend. Remember like the whole deal?

Mark: Yeah.

Scott: And it took us a while but we finally got to Flight School and I think that Mike is right about the fact that you can probably do... Like I'm going to say you can probably do anything on your own. Like, you know, you can go do it. I don't know something that you can't do without a guide or without somebody to help you. I think that the difference is what Mike said, like do you want to shortcut it, do you want to have people who've gone through their and showing you the shortcuts or do you want to figure out yourself.

I just keep thinking about like a few years ago, it's about five years ago my wife, and I were privileged that we were able to go on a trip to Italy and one of the stops was to the Vatican and I remember like this was in in June the Vatican was packed. I mean like there was just wall-to-wall people but the tour that we were on and the group that we were on they had a tour guide who had already taken care of all the stuff. We show up to the Vatican they're like passing out the tickets, they are like go over here, and we're going to do this. You know like they literally helped to shortcut this whole thing and when I'm there at the Vatican I was thinking like man this is the way to go. If you ever going to go to a tourist place this is how you do it; you get a guide and I think it's the same way with putting up a business. If you can get a guide who's been down that path, why would you not? It's shortcutting the entire process, it's going to make you faster, it's going to give you more confidence, you're going to stand up straighter and you're just going to rock it a lot faster than trying to... well, what if I try this or what if I try that.

Mark: You know absolutely and what I think is interesting about Mike's is that he was already an entrepreneur so a lot of the things, a lot of the fundamentals were kind of already in place for him. Which is that this is a business and so to make that sort of shift mentally from a job to being an entrepreneur it is difficult for a lot of people but, you know, Mike already knew how to run a successful business and it's a business that it was a

commodity, right? Land's a commodity. So in a lot of ways it was kind of a good fit and what I'd be curious about Mike is what were your biggest challenges with getting started and what would you say were the characteristics that really helped you be successful?

Mike: Well, I'd say just like in a lot of things the challenge of getting started was a little bit of fear. Am I going to be able to do this? Is this really going to work? I had some learning curve as far as crunching the data and making the right offers to people that type of thing. Really other than that none, because I learned a lot of things from my last business that number one competition is irrelevant.

When I was at the peak of my gold and silver business my number one competitor took out an ad in the Super Bowl and I thought, "Well, how am I going to compete with that?" But it turned out it just didn't matter. If you just put one foot in front of the other, you treat people right, you're transparent, and you do what you say you're going to do competition is irrelevant. So I've heard of different areas online people wondering isn't this business going to get too saturated and I say absolutely not. I don't think all the competition in the world will make a difference for people who do this business right.

The other thing that made it easier for me because of my business, was just suspending any disbelief about the business model itself. I had a business model previously that I'd buy an asset from someone for way less than it's worth and then I'd turn around and sell it for what it was worth and everybody was happy. Nobody complained. This business is the same thing. So I knew that if someone was going to take thousands of dollars of golden silver, throw it in a box and send it to me blindly that someone is going to take a piece of land that they don't want anymore and don't care about and sell it to me and it works. It's very, very similar so it was a very easy transition for me.

Mark: Wow. So what was your biggest challenge? All you did was say it was like the fear but as far as can we kind of talk about many deals you have done and what your ratio is between cash and passive income?

Mike: Well, I have done... it's been a few hundred deals. I actually don't keep track of it. My wife fortunately for me is a CPA so she does the accounting. She handles all the people who make payments and such. She takes care of all that stuff. So I just mail and market and deal with people so I don't keep track of that, but I'd say it's a few hundred deals.

For me, the overwhelming majority that I do is owner financing because, for one thing, it's kind of like a drug because it's so easy. It's a little bit addictive to me because I know if I put the right down payment and the right monthly payment on something I'm going to get swamped with people wanting to buy the property. So it's very easy.

Now the downside which is a challenge to me is there's a little lack of sustainability of being able to continually pay cash for properties and then turn around and sell them with owner financing at least a lot of the properties that I do it's difficult for that. So that's why the next transition I'm making in my business is working on ways to sell the contracts that I have to people who want to have a passive income but they don't have the time or the energy to do all the legwork that I do. So that is hopefully going to overcome that obstacle and that has been my biggest obstacle.

Mark: Right and you do know about our program, right? Scott, do you want to fill him in? I don't think he knows.

Scott: Mike you can go to this website called TLFolio.com. TLFolio.com, you can list your note there and we actually have investors that we've trained, we've groomed them to look for like the yield and what to look for and everything that they invest in notes that are based on raw land. It's the only platform out there that you can sell your notes on raw land for that happens to go and create an investor based. TLFolio.com and you know what it cost you? This is the best part. Ready? TL Folio is free. You get to negotiate with the investor based on the yield that they want and what you want. So go check it out, TLFolio.com.

Mike: That's fantastic. As soon as this interview is done I am going right on there because I have all the notes anyone could want to buy. They make 16%. That's my interest rate. So I'm sure there must be somebody out there who would be interested.

Mark: You know what's interesting about that Mike –

Scott: Did you say you're charging 16 percent interest on the notes?

Mike: I charge 16 percent interest in the notes and I have never once had anyone complain about that interest rate. Not once.

Scott: Man.

Mark: Yeah. I mean it just goes to show you those of you that don't charge interest and you know like using Geek Pay it's that it's just mental. I

remember Scott would kind of fight me on "Oh I don't want to charge them a note collection fee." I'm like, "There's is a fee in real estate." Then he's just like, "Oh okay." So a lot of times you know interest rates or you know a 4.99 notes set up fee it's in your head. It's not in the buyer's head. They're just happy to get this piece of property and they don't have to go to a bank. It's easy money for them and they now control an asset that might be worth \$20,000 for you know maybe \$1000 down payment. So it's just very, very easy to do and I think that's really phenomenal that you've set it up that way. Do you charge a note collection fee, a note set up a fee?

Mike: I charge a doc fee, \$199 doc fee.

Mark: Yeah, \$199 doc fee. Then do you charge a note collection fee each month?

Mike: No I don't. Maybe I should but I felt so good about the 16% I just didn't even take any further than that. So it's something to think about at some point, right?

Mark: Right. The way TL Folio typically works is you get two bites of the apple. So your first bite is the cash on your note. So you're taking that cash, you're redeploying it to buy more property. The second bite is that after 12 months that passive income then reverts back to you. So you're only selling a partial note essentially.

Scott: Yeah. Most of the note buyers they don't want to buy the whole note because if they do that then they also have to buy the land that's underneath it. Because what happens if the person defaults they have to own the land and they don't really want to own the land. They just want the passive income, right? So the great thing is that you get to continue to own that land. Maybe you sell twelve months, sometimes 18 but really 12 months of the income stream you get a pop of cash today after 12 months the note reverts back to you. What's happening is you're acting as the middle person. So your buyer pays you the monthly payment you pass it off to the investor that you're working with after 12 months all is done all is over and guess what? You still own the land the whole time and if somebody stops paying you to get to resell it and you get the down payment again and all the other stuff. You just have to swap out another note for it. Makes sense?

Mike: That's genius.

Mark: Genius.

Mike: I don't believe. I'm stunned. I love it. I'm loving it.

Scott: Well you can get a big check. I can't wait. I can't wait for you to be a testimonial and say, "I got this big check." We're going to take out a billboard with you.

Mike: I love it. I just can't wait. Are we done? Can I go so I can get on air and do this?

Mark: Almost, almost I want to get your advice. If you're a newbie listening to this Mike what would be your newbie advice to somebody to get started and be successful?

Mike: The number one thing if I had no exposure to this business at all I would actually buy your new book *Dirt Rich* because I bought it because I buy any book I can find on the business I buy just in case there's one little nugget in it. I can tell you of all the books ... There's so many books out there especially on Amazon about the land business and I read them and I say, "Oh my God if someone new read this book they would fail." But your book is right on track. Your book was so confirming to me that I'm doing everything right. So number one I'd get that book.

Number two as soon as I read that book I know I would be excited about the business and I would get the Toolkit, absolutely 100%. Then I would look into Flight School or coaching and just go for it. Go for it. Because a year from now is going to be a year from now and it's going to be a big difference depending on whether you take action or whether you just keep listening to the podcast and nothing else.

Mark: Yeah. So, Mike, I'm going to assume your passive income exceeds your fixed expenses and you work when you want where you want with whom you want, is that correct?

Mike: Yes.

Mark: So what do you do with the rest your time?

Mark: I do more deals. I love doing deals. So where a lot of people just want passive income I kind of like aggressive income or maybe passive aggressive income because I love doing deals. I love sending out mail. I love getting the offers back. I love selling the property. I love everything about it, so why stop? I just set higher and higher goals for what I'm going to make and I don't see any reason why I get to a point in this business and just rest on my laurels because I enjoy doing it. So you know the total passive

income part for me at least right now that's just a secondary for me. I really enjoy doing it and I love it.

Mark: It's great. It's great. Scott Todd any last questions before we ask Mike for his tip of the week?

Scott: No. No. I think we are ready to go.

Mark: Well Mike I thought your mentorship this podcast was incredible. I think for the listeners it really sorts of validates that if you take action and you focus you can do it. I think it's interesting that Mike's like you know it is for outsiders like a crazy model, right? But he already was doing a crazy model. He already knew that people are willing to sell an asset 25-30 cents on the dollar because it's no longer an asset to them. It becomes a liability and there's a value all along this line all along the chain. So you know mentally he was able to get over that hurdle where you know if he was at let's say a big company and talking at the water coolers and somebody said, "Oh yeah I'm interested in flipping land. I heard this podcast." He was like Flipping land? It's a liquid. Are you crazy? You should flip houses. You're in Florida," right? "I've got a friend, they follow the DIY Network and they flip houses and they're killing it," right?

So you know it's just one of those things that I think that it really helps this kind of podcast for people to listen to and they are like, "Okay if Mike can do it I can do it." It's just like what Scott Todd likes to say. I love the quote Scott Todd, "Just follow the recipe, and just follow the recipe." So Mike what would you say is your tip of the week: a website, a resource, a book, something actionable where the Art of Passive Income listeners can go improve their businesses, improve lives, what do you got?

Mike: Actually I have two because I use them together and together they are more powerful than either one of them is alone. Hopefully, you haven't had either one of these before about one is SimpleTexting.com

Mark: Oh SimpleTexting.com.

Mike: That's SMS texting where people will punch in and send a short code to a number and they get an automatic response and also I can do a blast just like an email blast to everybody's phones for text messages. The open rate of a text message is way, way superior to email. I do email too but on my sign up form on my website I have name, email address, and cell phone number. So I've got all their information.

I use that also in conjunction with something else called MapRight.com which is a mapping program. It's an interactive maps. So you put interactive satellite maps on your website but you can also send people links to the interactive map. When you send somebody a link to the interactive map they can open that link on their phone and download a free app which has the parcel outline of the property they're looking at. It works in conjunction with the GPS on their phone. So if they want to find their property, if they're out somewhere in the wilds looking for their property they can actually walk the boundaries of their property by looking on their phone. They can walk right along the outline of their parcel.

So I use those together because when I do an ad on Craigslist or Land Modo which I'm on now part of what I put in there if you'd like more information, as well as an interactive map, sent directly to your phone please text. Then I have a keyword that signifies that property main street say whatever to 5-5-5-8-8-8 and they will immediately get that. They will get a link to the page on my website that has the property where they can check out if they want, but they also get a map link so they can use their phone to find their property or they can get directions to their property. So those two things together work great.

Mark: Mike Ferreira, I love it. I love it. I'm going to start doing this.

Mike: It's great. You can put it on the website too to have an interactive map so.

Mark: Phenomenal. Scott Todd, did you know about these?

Scott: I did not know about these but I love it.

Mark: I love it. We are jumping on this today.

Mike: Yeah. One little thing with what with the simple texting if you put an ad on some places where they do not want you to put your phone number or your website they do not catch or seem to care about the short code. So there's a way from all those ads that you can directly capture customer's phone number and therefore have them on your list without getting flagged for putting personal information in the ad.

Mark: Wow. That's a phenomenal tip. Wow. Scott Todd, I mean do you want to follow that? I don't.

Scott: I don't want to follow it. So should we just take a pass?

Mark: We're going to pass. Our tip of the week is SimpleTexting.com and MapRight.com used in conjunction. Listen to what Mike just said again and this is such a good tip we're going to add this to the Tool Kit in our resources page as well and maybe give a snippet of what you just said on how you use it. This is really powerful.

Mike: If anyone wants a little leg up on how to use that combination they can contact me. I'm on your Facebook group or they can reach me through my website at MikeSellsLand.com.

Mark: MikeSellsLand.com. I love it.

Mike: I can help anybody out who wants to understand that better or anything.

Mark: I love it. I love it. Well, today's podcast is sponsored by Flight School. So if you want to learn more about Flight School please go to TheLandGeek.com/training. Get on a call with Scott - Dude Buddy - Bossman or Mike - the Zen Master - Zaino and they will talk to you about all the Flight School goodness. Because I know like Scott was alluding to before when I get sort of a do it yourself home study course I get overwhelmed very easily. We all can't be like Mike Ferreira, right? I like you know like just even going to the gym I want a personal trainer and I want somebody to tell me, "This is what you do. This is how you do it. This is your form," and then I do it. I don't want to think too hard about it and then I have the confidence I'm doing it right. Flight School kind of fills in that gap almost like a group personal training class if you will except your teacher is completely ripped like Scott Todd, right?

Scott: I wouldn't say that but okay.

Mark: Well but in the sense of land investing.

Scott: Okay.

Mark: You're not going have a better Sherpa taking you up that mountain. So please do that. Also, the only way we're going to get the quality of guests like a Mike Ferreira to even come on the podcast do us three little favors you've got to subscribe, you've got to rate, you've got to review the podcast. Send us a screenshot of that review to Support@TheLandGeek.com. We're going to send you for free the \$97 *Passive Income Launch Kit* course. So please do that it really, really helps. Anyways I want to thank all the listeners and let ...

Scott: Freedom.

Mike: Freedom.

Scott: Ring.

Mark: There you go. Let freedom ring. Should we just try to do it together?

All: One, two three, let Freedom ring.

[End of Transcript]