



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

**Today's Guest:** [Whitney Nicely](#)

**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 I'm really excited for today's guest, a big-time real estate investor. But before we talk to our guest, I would be remiss if I didn't properly introduce my co-host—you know him, you love him—Scott Todd from [ScottTodd.net](http://ScottTodd.net), [LandModo.com](http://LandModo.com). And most importantly, if you are not automating your Craigslist and your Facebook postings, [PostingDomination.com/TheLandGeek](http://PostingDomination.com/TheLandGeek). Scott Todd, are you ready for this?

**Scott:** Mark, I can't wait.

**Mark:** All right, let's talk to Whitney Nicely. Whitney started her real estate investing career after selling dump trucks, that's interesting. She flipped her first property in 2009 and has been a machine ever since. She is a successful real estate investor and highly sought after strategist who helps others create and boost their portfolios. She flips, she flops, she buys, she sells and she's awesome at it. Whitney is also impressive because she empowers women to dive into the real estate investment world in order to take control of their lives and finances. Whitney Nicely, how are you?

**Whitney:** I'm great. How are you today? This is going to be fun.

**Mark:** This is going to be great. It's going to be great. So, let's just rewind the tape here and let's go back to dump trucks, what the heck?

**Whitney:** My great grandfather started trucking in 1939 so I am the fourth generation to be a trucker in my family. My mom is a mother trucker and I went to work for her when I graduated college.

**Mark:** That's great. So, your mom is a mother trucker, you went to work for her after college and then well, what lead you into real estate investing?

**Whitney:** Well throughout the years, decades my family just kind of invested on the side. There was always just this side part. We never bought into whole retirement scheme but if we did we wanted houses to fall back on so we wouldn't have to keep trucking. Our bucks have always come from trucks but we wanted them to come from real estate too. The only way we survived the recession trucking was because we had money coming in from real estate investments. I was working at the trucking company then and that's when I realized that I needed some money coming in that I didn't have to go to work and clock in to get it.

**Mark:** Scott Todd, what are your thoughts?

**Scott:** How can you argue with that? I mean passive income... Look, you know, Mark, that's the thing that a lot of people don't understand is that passive income is great because you can live off of it; you cannot live off of it. You can do anything with it. But it sure as heck makes it nice when you have passive income coming in that you don't have to worry about what's going to happen today or this month. It takes a lot of stress off. I see people starting businesses or running businesses and everything is starting new every single month and it's like, "Manm you guys are crazy. Why would you ever do that?"

**Whitney:** I agree. One of the first pieces, I was hanging at my mom's, I was watching all this stuff I was riding on her coattails but she is kind of an old and slow investor where she puts a bunch of money in and then it eventually comes back, no formulas, no strategies, no nothing. I was at her office one day in between some things that I was doing, I was still in college and she was depositing the rent checks and I was like, "Why don't I have any money that comes to the mailbox every month?" She's likem "We had to buy something first."

**Mark:** Right, right.

**Whitney:** This would have been a great time for her to sit me down and explain cash flow and talk about Robert Kiyosaki and all the guys and how we do this but she didn't. She was like, "Go figure it out."

**Mark:** Do you like that approach for your own kids?

**Whitney:** I like the go figure it out but I think I would leave more breadcrumbs. My mom left pretty of bread crumbs but she's also ... Did you see the picture of like there is this mom dog and she is trying to teach her pups how to go up the stairs and she just pushes them down and then they figure out how to come back up? That is like a picture of my mom and how she taught me to get started in real estate. She was just like "Go figure it out and then come back."

**Mark:** I like that approach to teaching, Scott.

**Scott:** I think so too. I think you got to go figure it out, you come back, you kind of have some life lessons along the way. Man, it just makes you a much stronger person.

**Whitney:** For sure, absolutely. People are like, "Oh, how cute you work for your mom," and I'm like, "Guys I think a boss would be more lenient on me." Mom is like, "Sick day, what's that? Get in here."

**Mark:** Yeah, yeah. It's so true, isn't it?

**Whitney:** But now I don't work for her anymore. Our accountant came in the other day and she was like, "I just want everybody to know that Whitney has more houses than Cathy right now." Which was a big moment for me and it's really cool too because my mom and I invest in a similar area. So, she is my competition and my mom and everything, all rolled into one.

**Scott:** Talk about like family domination, right, Mark?

**Mark:** Yeah, seriously.

**Whitney:** We are well known in this side of town.

**Mark:** Why don't you guys just do deals together?

**Whitney:** We do sometimes when it is mutually beneficial but she again likes to get a bunch of money, go buy something and then rent it back out and I like to do lease options and owner financing and not put any money in it and just start making money.

**Mark:** All right. So, walk us through your model and tell us how you got started with that model as opposed to other models.

**Whitney:** So, I started in land, do you want to talk about land or you want to talk about weird stuff?

**Mark:** I don't think land is weird but...

**Whitney:** No, land is amazing.

**Mark:** I know. I know. Tell your story though.

**Whitney:** Okay. Mom said you got to go buy something and I was like all right whatever. So, I just happened to be hanging out at an auction one Saturday morning in December and they were selling land. Everything was going for like 500 bucks, \$1000, most of the things I think all day long sold for 5,000 bucks. I was like, "You know I've got \$1000 I can probably buy something." That thought just kind of occurred to me and we were going we had 90 lots A through Z and we were like in the J or K lot before I was like, "This stuff is kind of cheap. I could buy something."

So, we were into the M counties before I found somebody and I was like, "What are we selling? What is this? He was just like, this other auctioneer that was there that day because I was doing my premiership he was like, "Buy the next lot." I was like, "I didn't do the research. I don't know where it's going to be." He said, "Just buy the next lot." So I did. I raised my hand went back and forth, I ended up winning the bid. So, for \$1200 I bought 1.07 acres in a failed subdivision in Dakota Tennessee. I didn't even know we had Dakota in Tennessee. I thought Dakota was in Georgia. So, I learned some geography that day and I became a real estate investor and we cashed out later that week all in all down 1200 bucks.

The best thing about this deal, it was my very first deal all by myself. When we got to closing later that week, there was something in the paperwork that said \$69000 and I was like, "Hold on. I don't want to get into something like get scammed on my money or anything like that," And they are like, "No, the lady that lost this land through foreclosure had agreed to a mortgage of \$69000 and she stopped making payments on it" But I got tax second title for 1200 bucks and the lady was one of the first 12 lots that sold in the subdivision when they originally sold in and the first 20 lots got a deeded boat slip. So, there was a marina in this subdivision and I have number 12 even though I don't have a boat to put in my slip.

**Mark:** You know the way you got started in real estate is exactly the way I got started by the way.

**Whitney:** Yeah.

**Mark:** Tax deed auction.

**Whitney:** Oh, this was a foreclosure auction.

**Mark:** Yeah, yeah. So, you got your property then what happens?

**Whitney:** I just held it and I just wanted it because this meant a lot to me. You mentioned earlier that I really like working with women and 100 years ago by buying this land I could have voted. 100 years ago by owning this property, I would have had some serious status and it just meant a whole lot to me even though it was 1200 bucks and went on totally different it was just a really big moment for me to say that, "I am now a real estate investor. I can do this and I will figure it out. Even if I have this thing for 10 years and I sell it for 20 grand so a third of what it originally sold for, you make a huge return on it and it's a great story to tell."

**Mark:** Yeah, absolutely. How do you make the transition from land investor into lease options?

**Whitney:** Well, I started buying every piece of land I could find. I started going to the tax sales. I started to go into more auctions. I started looking around at just empty pieces of land because when you start to become a real estate investor especially if you start buying houses the first thing you notice is how many empty houses you are driving by every single day that you never paid attention to. But when you start in land, you start driving by and just getting off the interstate and there is just a patch of grass and trees, who owns that? When you are driving down and you are driving to your mom's house and you are driving to the store and you are just driving by all these lots that have grass and trees on it like who is paying the taxes on that? Why don't they build a house on it? Why don't develop it into a subdivision? So you start really noticing how many opportunities are out there. With land, there is just so much opportunity it's a little overwhelming that's why I switched to houses.

But I started buying as much land as I could find because I was buying it for \$1000 or 1500 bucks or \$500. The next piece of land I bought I paid \$1500, it was an inherited piece and they just wanted to get rid of it. It used to have a house on it but the house came down in the 60s and it's just being land. At the auction, I gave them \$1500 and my brother went and cleared

out the underbrush and I went and met our neighbors and one of our neighbors on the left side it's a big Fortune 500 company, big fancy office, and all that stuff. But there was a road that divided their lot from our lot so I was downtown ... This is when I was flipping houses, all this just happens at the same time. A great big hurricane comes through and that's when you get the best deals. So I am downtown talking to the codes inspector, flirting with the codes inspectors if you want to know the truth and trying to find out how I'm going to do this and I am flipping these houses with my mom and I just happened to mention that I bought this property off across the road. And they were like, "Oh I just saw something off across the road the other day." And I was like, "That's weird because there is nothing over there." They were like, "No that road divides you from your neighbor used to be a driveway." They got to digging and they sent me a quick claim bid actually.

Back in 1992 when I was in the second grade the city had taken this road and decided they didn't want it anymore because there was nothing there and just this company on the other side they made it a driveway and they gave the right side of the driveway to me and they gave the left side of the driveway to my neighbor and that was it. My neighbor has been driving on this driveway since 1992 thinking it was all theirs. So, I left the codes office like hot and heavy ready to go to my neighbor's office and I busted in there like Kool-Aid and I was like, "Hey, y'all are driving on my driveway and I want some rent. The guy said that I can get some money from this". They were like, "Sure, little real estate girl that's not how things happen." I was like, "All right. Well, you have it surveyed and let me know."

So, they did. They had it surveyed and came back and called me two weeks later and there were like, "Yeah Miss Nicely we have recently had the property surveyed on across the road and it turns out we are driving on your driveway and we would like to pay you rent." I mean it was like totally different than when I went in there the first time. I was like, "Oh, that's great." They had offered me 250 bucks a month and I was like, "That's fine but you know I have had this for four, five months at this time," and I knew big companies just don't drop checks it was going to be another couple of weeks before I get my first check I was like, "I will let you rent it for 250 a month if you will pay me for the whole time I have owned it. They were like "Okay." Because 250 a month for a Fortune 500 company what do they care? They spend more than that on toilet paper.

I said, "Another thing I want you to pay my property taxes every year." They were like, "Well, how much is it?" Seriously, guys, it's less than 100 bucks, again they don't care. I said, "Finally third thing I don't want you calling me, my mom has trucks we've got gravel but if there is a pothole or a tree falls, I don't want to go fix it y'all take care of it." They are like,

"Okay." So, I basically did a triple net lease on my first little chunk of property. I got \$1500 the first time they sent me any money and I was back in the game baby. But after you do that you just want to do it again and again and again. Now we rent that driveway for over three years for 250 a month and now we rent the lot just the lot empty dirt for 500 bucks so we get 750 a month on a \$1500 investment. Yay, real estate.

**Mark:** This is why we love land so much and it's so simple, nothing to maintain, nothing to protect. Scott Todd, what do you think?

**Scott:** I like how you are renting for \$500 a month. What are you renting it for? What are they doing with it?

**Whitney:** When you flip a house, you have to rent a dumpster or most good flippers will rent a dumpster and throw all the trash in there, but when those dumpsters aren't on the job site they have to sleep somewhere and everything isn't zoned for outside storage. But this half-acre piece of land that I bought is zoned industrial so we can have outside storage containers on our chunk of dirt. So, that's what they have out there, just big dumpster containers. When I flip a house it's really convenient, I just call my tenant and I am like I can bring me something.

**Scott:** Mark, I am speechless, man.

**Mark:** I know. I know. I love it. It's so good.

**Whitney:** But you have to keep going. When I bought it, I had no idea this was going to happen right? Now that I look back on it now I am very picky because I bought some duds. That was a good one I can tell you a bad land story. But now when I look at stuff people want 10,000 or 15000 and I am like, "I can't rent it for that." So, it took that kind of going blindly into a situation and figuring it out as I went to be able to become a better investor now when I buy stuff.

**Mark:** Yeah, yeah, absolutely what are some of the worst advice that you hear or see given in land investing? Or not land investing but just real estate in general.

**Whitney:** In real estate investing, in general, I see tons of people that say you can't get started unless you have \$100,000. That's bullshit. Sorry, are you going to edit this?

**Scott:** It's okay.

**Mark:** No editing, it's okay.

**Whitney:** That is though. You don't need \$100,000 to get started. I started with literally like 2700 bucks and I didn't lose my lunch money over that. That wasn't anything that I actually needed to survive. That was getting in, getting in, going, and getting started. My houses were the same way. Well, the first two houses I spent some pretty big money on but the next 12 I spent \$10 on. So you don't need a whole bunch of money to get started.

You certainly don't need a license. I am starting to think about creating a joke to certify people to become house buyers because people ask me that all the time, "Well do you need a license to buy houses?" No, there is literally not a license in the world that says, "You are now qualified to buy houses," unless you turn 18 now you are qualified to go buy a house. When you get a license you are representing other people buying and selling houses, land, property, apartments, whatever. You could get a certification to be a life coach but there is not one to be a house buyer so I'm thinking about developing that.

**Scott:** It is kind of crazy that you say that because I know people who they want to just do any type of real estate investing, They want to real estate investing or they want to do land investing, whatever it is and then the first thing they do is they get into this and maybe it's a little bit more difficult than what they anticipated and then the next thing you might hear is, "Oh I'm going to go get my real estate license." I ask them well, "Okay, well that's cool but do you want to be a realtor or an investor. They are two different things. Just because you go learn to be a realtor does not mean that you have any skill sets at all to be an investor. It's a totally different skill set.

**Whitney:** Totally different and it's a different mindset, it's a totally different goal, it's totally different outcome. You said something that was great you said that it's more difficult than they thought when you get into it. Everyone wants to say, "Oh I want to be a real estate investor and it's going to be great and I am going to have a Lamborghini and live on the beach," but then you get into it and it is some work. But you can say the same thing for marriage. I have only been married for two years and I thought it was going to be bright and great and awesome but it's a little bit of work every single day.

**Scott:** Every single day forever and ever.

**Whitney:** Right?



**Scott:** Right, Mark?

**Mark:** Yeah. I just celebrated my 20th wedding anniversary.

**Whitney:** I think people should get awards for that.

**Scott:** I'm like two weeks away man and ...

**Mark:** Yeah, Scott two weeks away...

**Scott:** Actually it's a week away. One week and a day away from 20 years, I agree I think we should get an award.

**Mark:** No, it's true.

**Whitney:** It's much harder than investing in real estate.

**Scott:** Oh, yeah.

**Mark:** Yeah. You know what's so funny? Only bad things in life happen fast. Isn't that a weird thing? Like all the bad stuff happens real fast but the good stuff it's just a very slow sort of methodical thing

**Whitney:** Going on that people tell me all the time they are like, "Well I can get a real estate license in two weeks." Okay, it takes nine months to create a baby and that's pretty amazing. So the fact that you can do this fast doesn't impress me at all. In fact, if it takes a long time you will probably be better.

**Mark:** Yeah, yeah, and absolutely. So Whitney now you're in the lease options, right?

**Whitney:** Oh, yeah. I ran out of money.

**Mark:** You've run out of money, okay. So explain what the lease option is and why you prefer it and what sucks about lease options. Why doesn't everybody do lease options?

**Whitney:** Because they are weird, they are not popular right now, wholesaling is popular right now and wholesaling just doesn't always work so there you go. A lease option is a really fancy rental agreement that also gives you the right to buy the property in a certain amount of time. That's all it is. You can complicate it as much as you want to but at the end of the day,

we all know people that have a mortgage on their house. You all know people that have a mortgage right?

**Scott:** Yap.

**Mark:** Sure.

**Whitney:** If these people decided they want to rent their house, would anybody have a problem with them renting their house?

**Mark:** Nope.

**Whitney:** That's not weird at all. If these people with a mortgage on their house decided they wanted to sell their house would anybody have a problem with them selling their house even if there was a mortgage on it?

**Mark:** No.

**Scott:** No.

**Whitney:** So, a lease option does both of those things in one contract. You can do it in two contracts if you want to. You can have a lease and an option or you can have a lease option. But it basically says, "I am going to be renting your house, I am going to buy it sometime in the future for a price that we agree upon today."

**Mark:** And that price is usually higher than the market?

**Whitney:** No.

**Mark:** No?

**Whitney:** Not always. I try to get mine for what they owe on the house. So I try to make money three different ways. I try to take over their payments. So I am looking for people that are tired of being landlords or they are accidentally a landlord and that wasn't their goal to be a landlord and it's just stressing them out to have to keep up with these tenants, these toilets, and all this stuff and they end up just letting the house go empty and they make the payments for a couple of months or a couple of years and then I come in say, "You know what?" I will start making these payments for you. I will stop the bleeding. You just go away and do whatever it is you need to do. I will buy it for what you owe and how much you pay every single month."

So, I don't give them any money. I don't pay a lot of overhead. There is no closing or no traditional closing cost fee or even agent fee all of that stuff, none of that and I get to make money because I will find the kind of buyer that will give me 10' or 15' or 40,000 to move into this house that I didn't give any money for. If my payment is 800 bucks a month I will find somebody to give me 1,200 bucks a month so I make \$400 a month. Then if they owed 100 and I could sell it for 120 well now I have made 20 and a buck in payday if my tenant buyer goes and gets a mortgage, if not I will get somebody else to come through give me another 10 or 15, give me another monthly payment and rock and roll. It doesn't have to be any more complicated than that. We can make it 10 times as complicated but that's the nuts and bolts.

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

**Scott:** I like it. I like the lease option strategy. I think that anytime that you can leverage control over a piece of property for like zero dollars or pennies on the dollar. It's funny because I assume that you are not hitting like high rent houses here, you are hitting more like bread and butter house, right?

**Whitney:** Absolutely. I love three bedrooms, two baths with a two car garage in a working neighborhood. Because my tenant buyers have bad credit or they had a bad divorce or they had a foreclosure long time ago or they are self-employed. You know self-employed people can't go to the bank and get a loan? You need to have a regular job to be pretty at the bank. So a lot of self-employed people do a lease option with me so that they can show they can make the payments, they can make the money, they can do all these great things and I get to help a lot of people.

**Mark:** Sounds good to me. I love it. 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 to improve their businesses, improve their lives. What have you got?

**Whitney:** I don't know if y'all use If This, Then That but it's a website that's pretty much a VA that you don't have to pay. You just take some time, set up some URLs, plug it into If This, Then That it will email you anytime that something hits that you are looking for. Like I have is set up for Craigslist. Anytime a for sale by owner has a three bedroom two bath in a new market, I get an email about it and that way I don't have to spend hours on Craigslist, I just check out my emails see which one I am interested in and call them back.

**Mark:** I do the exact same thing for land. In fact, I even made a YouTube video teaching people how to do that. So for those of you listening, go YouTube and look up Land Geek and then look up automate deal flow. That's a great tip. Scott Todd, what's your tip of the week?

**Scott:** Mark, I actually got a book today, ready?

**Mark:** Okay, cool.

**Scott:** It is *The Four Agreements: A Practical Guide to Personal Freedom* and it's by Don Miguel Ruiz.

**Mark:** It is one of my favorite books by the way.

**Scott:** This book is... I just stumbled across this book over the weekend and it's great.

**Mark:** Are you serious? I thought I told you about that book.

**Scott:** No, no.

**Mark:** It based on like Toltec wisdom.

**Scott:** Yeah I know. It's new to me, new to me. It's a great book. Check it out. Don't be like me and wait for much longer.

**Mark:** Yeah. It's one of those books that you have to... I got it on Audible but you have to listen to it again and again and again. Now I am like okay what are the four agreements again? It's like do your best, be truthful to your word or always true to your word. What are the other two? Yeah, they are great though. They are great.

**Scott:** It's a good book.

**Mark:** Yeah. Then my tip of the week is learn more about Whitney Nicely at WhitneyNicely.com and delve a little bit deeper into how she does what she does and get motivated as well. She's got a cool Facebook group as well that you can join. Whitney, what's that Facebook group?

**Whitney:** Right now it's, Become a Real Estate Rockstar with Whitney Nicely with Whitney Nicely but if you go to [WhitneyNicely.com/Group](https://www.whitneynicely.com/group) it will take you over there. So, if I change the name, which I do periodically it will take you to the same group.

**Mark:** Very cool, very cool. All right, Whitney, are we good?

**Whitney:** I am good if you are. This has been great.

**Mark:** That's great. Scott, are we good.

**Scott:** We are good, Mark.

**Mark:** All right I just want to remind all the listeners that today's podcast is sponsored by [GeekPay.io](https://GeekPay.io). It is the only set it and forget it automated financial collections. Get your money paid, ACH. If ACH fails, it will charge the credit card on file. You will get paid. It's going to lower your defaults. It's going to be transparent for the borrower and the lender. They can log in. No more being on the phone, "Hey, what's my current balance?" They can go and see it. No more being on the phone, "Hey, can I get a prepayment?" They can do it. So, you are sure to get paid, totally transparent, get your first note for free at [GeekPay.io](https://GeekPay.io).

Again I want to just remind everybody the only way, we are going to get the quality of guests like a Whitney Nicely is if you do us three little 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.

All right. I want to thank Whitney Nicely, [WhitneyNicely.com](https://WhitneyNicely.com), Scott Todd, the listeners and Scott, you want to lead us out of this?

**Scott:** You know what they say Mark, one, two, three, let ...

**Mark and Scott:** Freedom ring

**Mark:** Thanks, everybody.

*[End of Transcript]*