



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

Mark and Scott talk with: Erik Peterson - LandOpia.com, Tate Litchfield - FrontierPropertiesUSA.com, Aaron Williams – BearLandProperty.com, Mike Zaino – TheLandGuru.com and Mimi Schmidt on the Land Geek Round Table

Transcript

Mark: Hey it's Mark Podolsky, the Land Geek with your favorite nichey real estate website www.TheLandGeek.com and on this week's Round Table we've got 'Bear Land' Aaron. 'Bear Land' Aaron Williams how are you?

Aaron: Grrr. Hey, how's it going everybody?

Mark: Yeah, 'Bear Land' Aaron is in a part of the country that is now currently colder than Antarctica congrats on that.

Erik: Polar bear.

Mark: The Polar bear. We've got a little under the weather but he is still showing up 'The Technician' Erik Peterson. Erik how are you?

Erik: Well, I'm trying to get better but I'm here and still live.

Mark: It's good. That's good. A lot of chicken soup, hot tea.

Erik: Yeah, got it.

Mark: We've got the Zen master and I'm actually wearing his shirt; breathe in the mailing, breathe out the marketing the Zen shirt. I feel very centered, thank you Mike. How are you doing?

Mike: I am doing well. I am doing well and may I recommend whiskey Erik.

Erik: We can't forget the whiskey.

Mark: Yeah. Speaking of adult beverages we've got the Terrorist Hunter, Mimi Schmidt. Mimi how are you?

Mimi: I'm doing great. It just started snowing immediately when we started the podcast. The snowflakes were like it's big.

Mark: I've heard rumors of these white things that occur in parts of the country. I've never really experienced it but I understand it's quite beautiful that's great. Speaking of someone who has not witnessed these little white things we've got 'The Big Poppa' Tate Litchfield. Tate how is you?

Tate: I'm warm. Its 67° out today, I'm going to go for a bike ride after this, I'm healthy I just I'm feeling good. I mean, it's a nice January day here in Las Vegas.

Mark: I feel same way about Phoenix I might go swimming after this.

Tate: Woo nice yeah, that sounds kind of nice.

Mark: Yeah, just a quick dip.

Tate: Yeah, why not. I mean if the weather is out, suns out, guns out go for it man.

Mark: Absolutely, absolutely and the last but certainly not the least 'The Professor', 'The Brain', The Flight School Sherpa'; Scott Todd from ScottTodd.net, LandModo.com and most importantly if you're not automating your Craigslist and your Facebook postings PostingDomination.com/TheLandGeek. Scott Todd, how are you?

Scott: Mark, I'm great and how are you? I too I'm warm here in Florida so I don't know what everybody is complaining about. It will get kind of cold, I mean like the high. Tomorrow is going to be 66 I think so.

Mark: OH.

Erik: Bundle up man, bundle up; don't take any chance out there.

Scott: I'm going to do my best.

Mark: Yeah. I mean I will be changing just for the fashion just because my wife is like I'm so sick of you wearing T-shirts all year round. This is like the two months of the year you can wear long sleeves. So I try it, just for the fashion, wear long sleeves but I don't really need to. All right so instead of hazing the East Coast and the Midwest and the poor weather let's talk about a very important topic. Scott Todd what's topic for the Round Table discussion this week?

Scott: Well, I'm just curious, you know, like let's say you're talking to somebody who wants to buy some land and you're talking to them and they want to buy let's say I don't know 15 acres from you and all that you have is five. Like do you try to match it up and try to find out a property for them, like buy at wholesale or something or do you just take their number so that you start mailing the 15 acre properties and try to find that match or what do you do? I mean we had an interesting sale I want to use to kind of motivate everybody but I'd love to know what kind of everybody's thought process on that would be and two part question let's say it's not just the county you're working in but let's say it's another county like you don't even do anything in the county. What would you do?

Mark: 'Bear Land' Aaron what are your thoughts?

Aaron: I used to kind of throw them away but since Land Modo I've started doing the thing where I'll look. When somebody contacts me if I don't have it I'll tell them, "Hey, I don't have one exactly like that right now, but some of my colleagues may have something that they'd be willing to sell me. Let me check it out." And I'll go through Land Modo and see if there's anything that we can maybe work with and contact the person if there's a wholesale price there or maybe if it's just right I might contact them anyway whether they listed it for a wholesale or not.

Now as far as in the county I'm working or not. I'd say like a lot of times if that probably happens it might be in the county I'm working in anyway because the advertisements but because I do advertise places that are not necessarily where I am working looking for people that are just buying I would definitely look in those areas. Now, the difference is if I find something I might be a little less inclined to go that route if it's somewhere

like in another state that I'm not working but if it's somebody that I really have a lot of trust for then I would probably do it because I know that there due diligence is going to be super solid, I know that even if it fell apart and I got stuck with it that they're probably in a pretty good area that I could sell it if I had to or even wholesale that offer at a zero net which I've never done but would if I had to. So yeah definitely.

Mark: All right. 'Zen master' Mike Zaino what are your thoughts?

Mike: Well, since I know a lot of people on here or are going to listen to it are new I'm going to go with a conservative approach; I want to give a little perspective on one side just because I anticipate some of them. So because as you grow in this business your skill sets are going to grow right and your recognition of what a true buyer is going to grow. I acquaint this to years ago, 30 years ago about I was trying my hand in auto sales, I was horrible right. So this guy came in and there was this Camaro and if you sold this Camaro you get the extra \$500 bonus I'm like and this guy wants to take the Camaro for a ride. We go out, he's be-boppin' around, we come back and he puts some ridiculous offer and the manager is like look over he goes, "That guy is here every week test driving that thing." I'm like he's not going to buy it; he just comes in and takes advantage of new sales guys.

So the point being if I'm not really good at this business or I'm not really new or I'm new and I'm still figuring it out I don't think that I would advise someone in the beginning to put a whole lot effort into someone saying, well geez, I'm working in Colorado and somebody wants something in Florida let me go get that for you because you go through a lot of work with no guaranteed sale and it's diverting from your focus, which should be in the primary beginning get your feet moving, get rolling and get those mailings consistently, stick to your area. Put that guy in your buyer's list right. So in a conservative approach I'm going to say if you're new to this business no. Just say, "Oh I get land all the time. How about I put you on buyers list? I'll keep you posted." But I wouldn't then go venture out in the beginning. I think you've got to stay highly focused.

Mark: Yeah, I think that's a great answer and it kind of reminds me that this podcast is sponsored by Flight School and if you want talk to the 'Zen master' Mike Zaino and get these kinds of really intelligent type of answers to your issues and strategy get on a call with Mike, get on a call with Scott. Just go to TheLandGeek.com/Training and do that or go to TheLandGeek.com/FreeCoaching and schedule a call.

All right, moving on to 'The Technician' Erik Peterson what are your thoughts?

Erik: So from time to time I will get people that are asking for land that I don't currently have, more often than not it's going to be in an area that I've worked in before or that I'm currently working in. So when that happens I am more likely to go out and see if I can source something. However, you know, at the same time that I'm kind of deciding whether or not it's worthwhile I'm trying to assess that particular potential buyer to see if they are really serious. Because I mean so often we talk to buyers that are they're not happy with whatever option you might have and they just start throwing out things you know well I want this or I want that. So I guess you know if you have a good feeling about that buyer and you feel like they are going to stand behind what they're looking for and it's worth your while then it makes sense to go out and look and see if you can find something wholesale. I've certainly done it.

My fear when you go outside of the areas you typically work in is that if you execute that transaction and that buyer actually locks up the property and you've purchased it. If they default the issue is that that's not on an area that you typically market in, so you're going to be left with that property and kind of starting from scratch. So when you first sold it, it made sense because it was an easy sale but if that buyer falls off and stops making payments and let's say you work in Colorado normally and this property is in California that's a big difference in market and going out there and finding a new buyer on that property is not going to be super easy. It's not like you can just start using all your Colorado accounts or what have you or your buyers list for Colorado, etc. Not to say it can't be done but just be aware of that going into it if you decide to kind of go outside your standard area.

Mark: All right, I love it. 'Terrorist Hunter' Mimi Schmidt what are your thoughts?

Mimi: They're exactly right it's not a black or white, yes or no question there's a lot more to it stay focused. Like I had a request last week for a property in area Firestone, Colorado between Denver and Boulder. Yep, too expensive, not anywhere near I'm ever going to do. So I had to invite him via my buyers list if he would having something good, otherwise no. But if it's in an area that you know and it's an area on Land Modo and you have somebody else with the property there then maybe you can make it work.

I even did this once for a guy bought a property from me in Costilla, owned it for a couple of months and said yeah I'd rather be up in Park. So I found him one, tripled the amount of money I was bringing in in a month on a monthly payment and then he decides his wife got pregnant and he didn't want to do it. So now it's in the same state even. So I have all of the

Craigslist's marketing, IP addresses I have all that but I don't know anything about Park, I don't have a photographer in Park. So most of the times it works out but I just warn you to be staying in the areas you know and know the inventory that is available for you to buy from on some of these wholesale capable sites.

Mark: Very sagacious answer. 'Big Poppa' Tate Litchfield what are your thoughts?

Tate: This is a really interesting topic and I'm going to do a little shameless plug here because I was recently in this situation and some of our viewer listeners aren't aware that I'm working on a new project and it's called LOTS. In one of the episodes that I recorded I had a situation where a VIP client called me up and said, "Hey here's what I'm looking for. Do you have any more of that? I didn't and so I went out and I found that property for him. I purchased it kind of at noon at that same day; he made a down payment for it at 1 o'clock that same day. So in this type of situation I would absolutely bend over backwards to accommodate kind of a VIP client or somebody that I know is serious.

Again if it's a property in a location where it can be a good location but, you know, it just might not speak to me I'm not to go out of my way to find it. I'd rather pass on that lead onto a friend and say hey Scott I don't have what this guy wants. I know you're the man for this area. You owe me dinner kind of thing. I'd rather do that and I have had plenty of people pass me leads that resulted in sales and that's just kind of being a good friend, taking care of those that you respect. So that's what I would say I most often do but there's a place and I'll leave it up to Scott. There's the place where I go and I treat it as my personal inventory anytime I need anything I can guarantee find it on Land Modo. So that's what I would do.

Mark: I like it. I like it Scott Todd... By the way LOTS stands for *Looking Over Tate's Shoulder* and we're all excited about that sort of geek flicks show to come out LOTS. Scott Todd tell us your story.

Scott: All right so here is the story. We had a guy that we've talking to for a while, he's never bought from me and that one piece gives me a little bit of heart Mark. But we've been talking to him for a while and what he wanted was he wanted a 15 acre property in this area where I have other land, but I didn't have 15 acres. I mean like I do have 15 acres but not altogether and he wanted altogether. So we've been trying to work a deal with him and he just wanted 15 or more.

He wanted larger properties and in our conversations with him we basically said well how much money are looking to put down, and he's like well I will put down half of the purchase price and we're like wow okay half of the purchase price that is a pretty reasonable deal, that's a pretty solid buy right there. So what happened was we actually found one of these properties, one of these 15 acres on Land Modo. So we went out and we basically secured the land, made sure that it was available and it was actually being wholesaled on there. The wholesale price I think is a little bit higher than what I normally like because I normally like to be able to double my money. But the asking price was probably about \$900 higher. I think we tried to negotiate and it didn't happen but we're like okay let's just go ahead and look at this deal.

So we ended up buying this 15 acre property for \$9900 and we sold it for 17,900 which happen to be the exact same asking price as the person we bought it from that's what they were looking to sell it for as well. So essentially by doing that we were able to turn around and match one of our buyers and again we had been talking to this guy for like over a year and we could never kind of connect with them. So basically we ended up buying that property wholesale and getting the \$8900 wholesale price if you will and then we turned around and sold it. So we're going to get I think like \$100 a month for the next 120 months, 10 years. \$120 a month for 120 months works out to be a 149% yield on our investment. Not bad, right?

But I think it brings up the point that and there's been a lot of good conversations one and I hear this from people sometimes like well should I chase the deal and it's so easy to kind of really want to make a deal that you start to chase it all over the country and as it's been pointed out then you end up with a property that you really don't want to own after they default and you have to assume that every deal that you enter into is going to default. There's no guaranteed deal that it won't default unless it's a cash deal and then it's probably not going to default. But any terms deal that you have is probably likely to default, you should treat it like it is. So if you're crisscrossing the country looking for available land well I think you're making a fatal flaw because you're going to end up with a bunch of stuff that you may not be able to sell. And as Mimi said like it could be somewhere that it could even be in the same state but it is not where you do business and then it's like men it's trying to start up the whole machine all over again.

Mark: Right. So just to recap the algorithm then is chase a deal for a potential buyer only if it's an area that you are comfortable working or you're currently working and in that worst case, you would still want own the property.

Scott: Yeah.

Mark: Did I miss something in that?

Scott: No, you got it.

Mark: Okay.

Scott: Because you've got to believe man like every terms deal you sell you have to assume it's going to default at some point in time. So then what is your strategy, what is your plan B and if your Plan B is like oh I never thought that they would default well you have a bad plan from the get go.

Tate: Okay Scott. Question on that deal are you guys offering 90 day moneyback guarantee on that still?

Scott: We are. That's the thing that gives me a little bit of heartburn here. So like before you enter a deal like that you need to be confident like one you are going to be able resell the property even if you took it back and I think it was Aaron that said like even if I do like a wash on it will I still be okay? Well, I'll still be okay but it's in an area that I know that I'll be able to sell into in the future. But you've got to be able to write that check to come time to do it.

Tate: I was going to say that I would do this deal all day long but I would probably keep his down payment, kind of in reserve in case and on that 89th day he came to me and said hey it's not working out. I need to break up with. I want my money back. I would keep that money just on the sidelines, but on the 90th day boom I'm going to town, it's getting redeployed.

Scott: Yeah. I don't think you want to... What's the line in Top Gun 'Don't write checks your body can't cash.' like don't put yourself in a spot you're like oh boy that's the end of it don't do that, don't do that.

Tate: No. Did you get a doc fee?

Scott: We did get a doc fee.

Tate: Of course you got a doc fee.

Scott: Did I get a doc fee, come on man.

Tate: I'm not surprised.

Scott: Do you think we're newbies around here?

Tate: No, I'm just saying that boost you up a little bit even better. So I mean at this point I would have done that deal no doubt.

Mark: Right. By the way, speaking of boosting up it's a little off-topic but I do think it does apply as far as going outside of your comfort zone and accomplishing something that's really hard. Scott Todd has completed his 50th peloton ride and if you haven't ridden one of his pelotons it's hard, it's really hard and to stay with it that consistently is I think... But one of the attributes I think that really you can pinpoint like okay here's why this guy is successful in land investing it's because he embraces the suck consistently and he does the hard things and he goes outside of his comfort zone consistently to the point where there will be mastery down the line. I mean then once he gets to his 200th ride he might be able to actually talk to Tate about going to a ride together. I mean maybe?

Scott: I don't know man, Tate has like already 10X the 200 or more, 20X, 100X I don't know what he's got but he's got something. I don't know if I can...

Mark: Really? I think you would know with confidence you wouldn't have a heart attack trying to go up a hill with him.

Scott: Well, listen man my rides are like 30 minutes max. Tate is like 2 hours. I think I would be out. Like I'm hoping everything that Tate has is downhill.

Mark: Yeah. Maybe you should be getting him like ankle weights when he's riding that would help.

Tate: He'd be fine.

Mark: Well, I thought that was a really great topic and hopefully for the listeners it really kind of answers that question and there's no ambiguity based on that algorithm that we discussed. So again it need to be in an area that you're currently working, that you're comfortable in, worst case you'd still want to own that property and then go ahead and work with that buyer. I remember when I first started and someone would email me like being in an area I wasn't working hey can find me 20 acres in this county in Alabama and I would kind of like think to myself what am I your personal land shopper. Like no here is what I have, like this is my inventory, this is what I have and but I think it's good to revisit this for sure and hopefully helps.

So that being said let's segue into our tip of the week a website, a resource, a book something actionable for the *Art of Passive Income* listeners to go to improve their businesses, improve their lives. 'The Terrorist Hunter' she's [00:22:30] [indiscernible] in the past few weeks, what have you got?

Mimi: So I figured we all use tools on everyday basis and we don't think anything of it and it's been a couple of years since we talked about just engineering tools and we get it all at Bootcamp, we review what kind of tools we often use but otherwise I just thought I would use some of the ones that I use on a regular basis. SignNow... it's great for signing documents. I actually talked to somebody recently they said they were still emailing back and forth. SignNow cost me \$7 a month and it's so cool if you've sent a document to yourself. It has arrows that point to where you're supposed to sign and they blink. It's so easy, completely dummy proof, I highly recommended.

GeniusScan... Every time I sell a property and I sign a deed over I take a picture of it, converts it to a .pdf and upload it to Simplifile. Everyone has one, there's a lot of scanning apps but that's the one that I use, completely free on my iPhone. I don't scan anything on the printer scanner I just use my phone, it's great. And then I've got a lot of questions about deeds lately and how the [00:23:44] [indiscernible] clauses should be. Instead of waiting and trying to figure ourselves go get a Rocket Lawyer account. You can create the deeds yourself, or you can make it online with a lawyer. So those are three big apps subscriptions that I use on a regular, almost weekly basis.

Mark: Phenomenal, phenomenal and for note taking JotKnotPro it's an oldie buddy goodie so you know I think we should bring that up, right Erik?

Erik: We can probably let that one go.

Mark: Well in 2019 I am trying to be kinder and gentler. Kindler that's a new word.

Mimi: Why?

Mark: Just to Erik not in general. Yeah, maybe in general but I think it helps to practice with Erik and I might go outside with that, I don't know. Anyways I thought this was a great Round Table. I want to thank the listeners, I want to remind them that again the only way that I'm going to continue to motivate 'Bear Land' Aaron to take time out of his day, or the 'Zen master' from saving lives or 'The Terrorist Hunter' from again saving lives and doing all these things 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. Sends a screenshot of that review to Support@TheLandGeek.com we are going to send you for free the \$97, *Passive Income Launch Kit*.

Again if you're curious about getting to the next level in 2019, building up your current income, your passive income, getting to the next level you've got to look at Flight School; go to TheLandGeek.com/Training schedule call with Mike or Scott. And again, for those of you that are just starting out in this niche you should get *Dirt Rich* it's on Amazon, it's \$2.99 on kindle it gives you a great overview of the business and I really appreciate Amazon reviews as well. So that's enough plugging huh, that's pretty good. All right are we ready to do this?

Oh by the way, Scottsdale Bootcamp. Go to TheLandGeek.com/Bootcamp that is filling up fast. You want to secure your spot a.s.a.p. for April. Are you ready 1, 2, 3,

All: Let freedom ring.

Mimi: That might be [00:26:28] [indiscernible] better.

Mark: That was like really good.

Mike: It was super powerful at Bootcamp actually.

Mark: It really was. By the way Mike I have to ask you because you're not a huge sports fan and I'm not a huge sports fan now at least when it comes to football. Are you going to do something for Super Bowl?

Mike: I head that was coming up this weekend but we'll probably have some pizza with my parents.

Mark: Pizza with the parents. Erik?

Erik: Yeah, my oldest son is a huge, huge football fan. So we will be watching the Super Bowl, maybe having some friends over of his.

Mark: Who is he rooting for?

Erik: I don't think he's decided yet actually. He is a big Dolphins fan so yeah.

Mark: All right. How about Mimi, how about you?

Mimi: We're having 14 people over, I'm excited. I don't care about the football it's just a reason to have a party.

Mark: Yeah, there you go. 'Bear Land' Aaron how about you?

Aaron: Watching the commercials.

Mark: Watching the commercials, nice. Which is also you know it's good for marketing, it's like a little marketing practice. Tate how about you?

Tate: You know I'm kind of with Mike on this one. I know it's a big deal for some people. For us I'll probably watch a little bit of it, it's not hockey so it doesn't get my full attention.

Mark: Nice. If it's not a fringe sport like cycling or hockey Tate's is like...

Mike: Just a halftime show Tate right, that's all we want to see.

Tate: Yeah, I can't remember who's performing. Who was it that i saw performing?

Mike: I didn't see. That will bring me in, you know.

Tate: It's a... oh man.

Mark: Little half time show?

Erik: Maroon 5.

Mike: All right.

Tate: Travis Scott, Mark.

Mark: How was it?

Tate: No, he's performing he says.

Mark: Oh, he's performing.

Tate: Yeah.

Mark: I thought you were going to see him in concert.

Tate: I am yeah, next month.

Mark: Oh okay, yeah.

Tate: But he is performing the halftime show.

Mark: I am a huge Travis Scott fan.

Tate: I'm excited. Apparently in the last show he made his like Lamborghini flyover the audience, it's crazy.

Mark: Yeah, that's right. Yeah, it's crazy. Scott Todd how about you?

Scott: I don't know. I wouldn't mind watching it to see if old Tom Brady can win or not. But I did think it was funny because I saw on Reddit of all other places I saw the other day that had a picture of Tom Brady on the local channel there that has his name and then underneath that it says known cheater.

Mark: Wow. By the way speaking of Reddit I was listening to Greg McCune on Tim Ferris's podcasts and he did to Tim exactly what he did to you.

Scott: Oh really.

Mark: Yeah exactly.

Scott: I'm in good company.

Mark: You are in really good company. Are doing the essential tasks and not letting Reddit get in the way?

Scott: Actually I am. I found my way. I think that the... Look I'll tell you what man it really goes back to this when your goals are big enough, then they will power you through anything and so then when you start to write down the number of what that work that you're putting away is worth to you and you quantify it all of a sudden everything else looks ridiculous. Like why am I doing this, I should only be focusing on that and then I think that's really a huge key for success is you've got to know what these products that you putting on the back bar are worth to you and if you can't quantify it well then you need to spend a little bit of time really thinking about the work that you're doing and putting a dollar amount or your best guess on it.

Mark: Yeah exactly. That remind me I should more with Geek Pay.

Mike: Is it bad that I don't know what Reddit is. I've never been on it. Is that bad?

Erik: No, it's a good thing.

Mark: No, not bad.

Mike: I'm looking it up. It looks like Facebook almost. What is this?

Mimi: Don't start.

Mark: Don't go down that road.

Scott: Mike, do yourself favor close that window right now. Listen to me man don't do it.

Erik: Don't ever go back there again man.

Mike: Gone, it's starting [00:31:10] [indiscernible].

Scott: That is a nasty habit. Think of that as cigarette smoking man.

Mike: All right, I'm done out.

Mark: Yeah.

Erik: Listen to your big brother.

Mark: Yeah, it's the cigarette smoking of attention. Hey, here's an app that hijacks your attention every five seconds.

Scott: Oh my god it's so bad.

Mark: Yeah. All right, thanks guys.

Tate: Talk to you later.

Mark: Talk to you.

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