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

Today's Guest: Hunter Thompson

Transcript

Mark: Hey, it's Mark Podolsky the Land Geek with your favorite nichey real estate website TheLandGeek.com and I'm really excited for today's guest. He's been on the podcast before, but he's so wise and so full of knowledge we had to do a part two with Hunter. But before we talk to Hunter I'd be remiss if I didn't properly introduce my cohost you know him, you love him, Six Sigma, the brain; 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. How are you?

Mark: I'm great. You know what, I really cut down on my caffeine and I feel a lot calmer and I think we're going to find a lot of people are actually going to complain because when they are listening to the podcast they don't need to put me on 2X. But now they're going to have to and so I'm really slowing it down. But let's talk to our guest because we've got a meaty topic to get into.

Hunter Thompson is back. If you don't remember Hunter from our previous podcast he is a full-time real estate investor and founder of Cash Flow

Connections, a private equity firm based out of LA. Since starting Cash Flow Connections, Hunter has helped more than 200 investors allocate capital to over 100 properties which have a combined asset value of more than $350 million and in connection with some of these investments he has worked with some of the most experienced and well respected asset teams across the US and even Canada. He's also the host of the Cash Flow Connections real estate podcasts which helps investors learn the intricacies of commercial real estate from the comfort of their home, car, or office. Hunter Thompson, welcome back.

Hunter: Thanks again for having me on. It's a honor to be on.

Mark: No worries. Let's skip the pleasantries hunter, let's just skip it all right.

Hunter: Done.

Mark: No softball questions. What the hell is going on in this market right now that we need to really start delving deeply into due diligence and some of the frequent sort of mistakes that you see investors making in this current market?

Hunter: Sure. So I think it's a really important topic because of the timing for variety of reasons. I think the two main things that I think make it important to look into due diligence right now number 1, you have obviously an incredible run-up since the recession. We've just entered the 110th month of the economic expansion, making it the second longest economic expansion in the history of the US since the Civil War and I think that is how far the data goes back. So, people have every right to be interested in when the next correction is going to be and how significant it's going to be.

Something else though is that you compound that with the fact that the Jobs Act, which happened in 2012, allowed for a completely new level of investors to enter the marketplace. So the timing of that Jobs Act, which was in part created because of the fact that the US was in such a great recession now allowed all these people to enter the real estate market and all these people that have invested in real estate since then, have had a tremendous amount of success. So the question becomes, how likely is it that that success is replicable if they don't go through the due diligence processes that are necessary to do at the end of a cycle. Because most the people that I talk to and I've had the pleasure of interviewing many very successful real estate entrepreneurs they're very active right now but the level of expertise is very high. So what I want to talk today about is some of the stages of due diligence or the steps of due diligence that I use as an investor, that investors and listeners can use to protect their own capital.

Mark: All right let’s get into it. Scott, any questions from you before we get...?

Scott: No, let's see what he has to say.

Mark: ...the seven deadly due diligence sins if you will.

Hunter: So, these are basically listed in order of importance and this is from the perspective of a passive investor. So the first thing that I’m going to look at is the sponsor, then the on-site manager, the loan and the financing, which I think is completely underutilized and incredibly important. Then I'm going to talk about the pro forma, the property performance, the track record the property itself, the market, the property specific due diligence this is like the physical components of the property and then the legal documents. I think that will give you a good understanding as to how I perceive the real estate due diligence space especially as a passive investor. The legal documents being last are something that a lot of people might be surprised by but this is all about the people that you’re making a bet on.

So all this due diligence comes down to reading between the lines, understanding are the people that are involved and the sponsor that is involved in the process are they putting themselves in a position to deliver on their promises and everything that we do through the due diligence process is really just a way to verify that. I can go ahead and start with some of those but that's kind of the framework in which I viewed the entire due diligence process.

Mark: Yeah. Now that we we’ve seen it from 30,000 feet let’s start with the most important piece for you as a passive investor taking a good hard look at the sponsor.

Hunter: Sure. So number 1, I think that all of us are trying to make a really good understanding of are we able to verify some the claims that they're making. So some of the easiest ways to do this first of all what I want to do is I want to talk to references and when I say references it is nice to talk to investors, that’s fine. Most of them are going to be biased; obviously that's not a surprise to anyone. But if you can talk to some of their professionals that is when you start to get into a little bit more meaty of a reference. So if the sponsor claims to have $100 million under management. I want to talk to the lenders that have provided the loans that would verify that or I want to talk to the attorneys that drafted the PPM that could verify that or the

CPAs that would do that. Now some of that information may be private, but at the same time if you have 15-30 minute conversations with some of these service providers you're going to get a much better understanding as to if this lines up or not.

Something else would be the on-site manager. How many assets do you have with this firm and how many square footage, how many square feet do you have with this firm those things really start to wind up? And when you look at something like track record, it’s important to just go one or two levels of detail deeper than what is just provided to you. So if you see a track record and it says that they've been in the business for 30 years I want to have a clear understanding as to what they were doing for that 30 years. You may hear someone say you know I have been involved in $1 trillion of real estate. Well they used to work for Goldman Sachs, which has 25,000 employees and now they have a company with five employees. These types of things really do make a difference when you're trying to understand their background as a business owner.

Now, you can also do things speaking of that, like background checks. So, I use a company called T.L.O., which can basically give you a criminal and a business background check of a person. One just make sure that their claims wind up with what you see in the background as appertains to things like their business, when they started the LLC, what type of educational background they have. Of course you want to make sure you don’t have any kind of criminal stuff relating to securities fraud or anything like that.

Something else that I do that is relatively inexpensive, but also a good way to check things is any sponsor can claim that they own any property. So a good step of due diligence is to look at the property, pull the title. At least a preliminary title report to see the entity which owns that property just to make sure that that entity lines up with what they’re claiming and at the end of the day it’s really just a gut check. So, if all those things do line up then it is just a matter of what have your communications been like with them. Do they respond to emails within 24 or 40 hours, depending on what you’re accustomed to. If it’s not a 10 out of 10 relationship upfront it’s certainly not going to be in 7 to 10 years when these properties are going to be sold.

I know that was a ton of information, but I do think that if you just do some of the things that I just mentioned you're going to be in the top 80% of top 20% I should say in terms of the amount of due diligence and also because it’s all focused on the sponsor you're going to be in a really good position. So that’s a really good intro into due diligence when it comes to passive investments.

Mark: Right, and just so that everyone understands what the sponsor is. So, for example, Scott and I have a fund, we have to talk to you directly one-on-one with our fund, and they have to be an accredited investor. But we're essentially the sponsor we're saying we're going to take your money and Mr. Investor and we're going to deploy it and hopefully get you this return. What you want to do then is make sure you follow Hunter’s advice and make sure like Mark and Scott haven't been to jail, do we actually own these assets, talk to the attorney that drew up our private placement memorandum. Make sure you go through these due diligence steps so that you sleep better at night. Don’t just start with people that have given us money and made a return right because maybe that’s could be I don't know erroneous, right?

Hunter: Well, it's just easy to get someone’s friend to say. "Yeah, sure I invested with them." Look, anyone that's going to provide you with a reference they know that that person is going to provide you really positive thing and we’ve all done it. If someone asked me for a reference I'm going to provide them with someone that have a relationship with, that I know is not going to be inconvenienced they are going to be happy to do that. But when you start talking to let's say the property manager someone that works for the organization or the attorney they have a professional reputation to uphold and those conversations can be much more detail oriented and I find much more fruitful.

Mark: Right, okay. So now the sponsor checks out. What’s the next step?

Hunter: So this is kind of short but the property manager is really important, and I think it’s next but does not have to be that extensive, but it's just something to take a note of. Really, what I want to see is the level of reporting that’s provided from the property manager to the sponsor, it may not need to be provided to me on a quarterly or monthly basis. I just want to see how sophisticated and how transparent they are and how detail oriented they are. I also want to see what software they use. Something like, Yardie is kind of the industry standard. In self-storage we use a software called Web Self-storage which is created by U-Haul. So I just want to know and even if it's something I've never heard of that's fine I just want to see what that transparency looks. When I ask questions like do they accept ACH payments? In certain asset classes this is mandatory, in certain asset classes it doesn't matter at all. If you are investing in A-class multifamily apartments it's pretty much mandatory that you accept electronic payments. If you are investing in mobile home parks for example that may not be as necessary. The key though to all of this is that if you start thinking about it in these seven steps and start asking just a few questions you're going to get a sense of what's available out there and you're going to get a sense of who you are dealing with which is kind of the overarching theme of the whole conversation.

Mark: Excellent. Number three?

Hunter: So this is tremendously underutilized, and it is by far the most important when it comes to things that aren't typically talked about. I'd say that 99% of all the horror stories that have anything to do with real estate and especially loss of principal have to do with the loan. So, if you can look at the loans that are being acquired for your deals in a way that understands how conservative aggressive they are, looking at a few key metrics you're going to have a much better understanding of the overall risk profile of the deal.

So obviously, loan to value is really important, but again one step deeper. How is that loan-to-value established? Is that based on as is value? Is that based on an appraisal? You know something like that would be really good question or loan to cost. So if you're investing in properties that have a value add component: let's say you're buying a property for $10 million and there is a $15 million loan that's a reasonable loan to value. Well, if you're buying a property for $10 million and then putting an additional $2 million in the property to make it more valuable that loan-to-value is much more conservative. So you want to take that into consideration when you are looking at the overall debt structure of the thing.

And then, something else we want to look at is the debt service coverage ratio. It is the ratio of income to the amount of income that's going to debt service on monthly basis. That number typically I like to see 1.25% or so. Excuse me 1.25X or 125%. So if $125,000 of income is coming in then up to $100,000 can go to a loan and that's kind of where banks start to be uncomfortable. When that number increases the number is getting more and more conservative. So, if you start at 1.25 and in three years you're at 1.5, the debt is becoming more and more conservative in the sense there's more and more income to pay off that loan.

But when you're looking at that there's a couple of other things to consider as well. So, one of those is the interest only period. In commercial real estate, it's very common that a loan will have an interest-only period of one years or two years or sometimes five years. This is the time at which a loan the payments that are due only interest and they're not paying themselves down. The reason this is important is that if you're looking at two properties that are basically the exact same, one has a one year interest only period and the other has a five year interest only period that is not going to look as good because you're paying the debt down in year two meaning that the cash flow will be less. So if you don't take that in consideration you're going to have a skewed view of the property as a whole and you're not going to understand that the fact that it's not paying itself down means that the loan is not as conservative so it should definitely be considered there.

There are some other things like the loan term; the time at which the loan needs to come due is it five years or 10 years or 12 years or something like that. As well as the amortization schedule. So now you have several metrics that you can look at tweaking them to see how conservative the loan is and really have a much better understanding as the big picture of the capital stack rather than just something like the loan to value which is easily manipulated for example.

Mark: Right. Scott Todd?

Scott: Well, you know first of all I'm thinking like man how lucky we are that we deal with land and we're not going out and getting loans. I mean you know like that's kind of like the big deal. You know I think that a lot of times the debt coverage ratio kind of it will like you said it will mess up… I'm sorry; the interest only piece will mess up the numbers if you're not taking that into consideration. Hunter, would you rather see like a loan where there is no interest-only period or would you prefer that there is an interest-only period? As an investor which one of those would you prefer?

Hunter: Yeah. I think that's actually a really great question because it really starts to get into this whole looking at the whole debt side of things rather than just one metric, right? So like, previously in my career I was basically thinking five years of interest only is completely unacceptable. If someone had five years of interest only I'd basically throw in the trash because it was my perspective that you're being aggressive. Well particularly now late in the cycle what if the loan to value is only 50 percent and because of the fact that it's interest only, the debt service coverage ratio is 1.5 or 1.8? You're starting to see loans like that. I would say that's a very conservative loan. It doesn't need to pay itself down.

Even if it was paying itself down over five years compared to a normal loan maybe the loan to value wouldn't even be the same in year one, two, three four five. Does that make sense? I know I'm doing a lot of numbers out there but that's my best way to answer that question is that it's important to look at the whole stack. If overall I want to be conservative but you want to be mindful of that debt service coverage ratio when considering that whole interest only period thing. I'm not opposed... Now, I understand that if you had a sub 60 percent loan to value that having five years of interest only I think that's relatively conservative and still allows investors to experience cash flow during that whole period.

Mark: All right, awesome. Number four.

Hunter: So this is really about the property performance and the pro forma. This is where you're starting to get into the range where very few investors go to this level of detail but this is important for the next stage of the whole syndication space. So what I want to look at is the trailing 12 and trailing 3 months financials of the property. I want to compare those historical averages to the first year of the pro forma of the projections.

So basically, I'm saying looking at the history of the property and looking at what they're projecting for the next 12 months where are the big changes taking place and I want to ask questions about how those changes can be validated. So one of the things that comes up sometimes is that you're looking at an expense ratio of the last 12 months of 55% meaning that 55% of the income is going towards expenses and then in year one magically they're down at 53% or excuse me 43%. I want to say how is it the case that there's such a significant jump or decrease in the expenses that are charged in this property? Especially, if they end up saying that they're going to keep the same property manager on.

Those are the types of things that start to come up if you're looking into that level of detail basically saying where are the major changes? Is the occupancy increasing? Is the rental rate increasing? Are the expense ratios getting more favorable? All those the sponsors should have very good answers for and when you ask questions like that you'll be able to see how detail oriented they were when they created these projections. Did they get them from comps? Do they have other experience in the market which allows them to know this without pulling comps? If they say, "Actually, we have three properties right within three miles of this property we know this property should be renting for this and the current owner is just not taking advantage of that." It's a really good sign that you're dealing with someone that knows what they're doing. If they say that, "We just think that this will be the case." You're starting to get into the area of me being really uncomfortable.

Mark: Makes total sense. When I was doing investment banking we would look at this all the time and it was really critical that there weren't any red flags as far as you know expenses or being out like the ratio being way too high or way too low compared to industry standard. You know that alone could kill a deal right there. So that's great. Number five?

Hunter: So these are the assumptions which result in those projections. When you are looking at the pro forma you want to see what are they assuming will take place to make this happen. Here are just a couple that I think are going to make a very big difference in that overall projection. So the rental rate increases the exit cap, this can make a huge difference. The exit cap rate is big. So let's just talk about exit cap really quickly, I think it's important. So if you're buying a property at a six cap in today's market conditions the industry standard...

Mark: Hunter, let's just quickly define what the cap rate for the listeners.

Hunter: Oh yeah. Sure, no problem. I know a lot of your listeners are focused more on land so it makes sense to definitely go through something like that. So cap rates are basically the multiple at which real estate is traded if it was purchased in all cash, okay? So if you're buying a property for a million dollars that's producing $100,000 of net operating income you'd be purchasing a 10 cap. So it's a multiple. It's a multiple at which real estate is traded. So the higher the cap rate the higher the year one cash flow the higher the cap rate the lower you are paying. It's inversely correlated with the purchase price. So when people refer to cap rate compression that's if a property is purchased at a 10 percent cap rate and now the market has gone from 10 down to seven that means the value of that same income there's much more value to it. The multiple is actually increasing.

So what we want to do is to be conservative is to project that there'll be a cap rate expansion. Meaning, that instead of buying a property, if you buy a property for a million dollars that's producing a $100,000 in net operating income, we want to say that there's a 10 basis point expansion every single year. So we would buy the property, let's say just for example, we buy the property for a million but maybe by the end of the 10 year period, it may be only worth 800,000 if the income doesn't increase during that whole period. Now, of course, we want to buy properties where the income will increase through rental increases and value-add etc. But the point is we're not relying on the market to generate that massive return because of some significant cap rate compression which is the opposite of that. Hopefully, that clarifies that. You know there's an e-book that I can probably link to that will probably help listeners out there that aren't familiar with that terminology.

Scott: So you’re saying unlike the pro forma the exit component of the pro forma what you're looking for is you're actually looking for a delegation of the cap rate. I mean because I've seen investors where they will say like, “Hey, we're buying it at 10 but we're going to sell it at a six.” You're like, “Well”, I mean there are some scenarios where you can do that. Like you've made mass improvements to the property, the markets changed all this other stuff, but like you're saying if you're depending on that you're out. You would rather see that they went from a 10 to 12 over five year period.

Hunter: Something like that in that range. This is a conversation we can have you know an extensive conversation we can have. But a lot of people that look at value-add properties, previously what the pitch used to be was, look we're buying at 10 cap and we're going to sell it to six cap because we're adding all this value. I think the opposite is true. Look if you're buying a property that needs a ton of work and you're doing all that work there's not as much meat on the bones for the next guy. So why in the world would he pay more for that same income if that value-add potential is not there? That's part of this changing market dynamic is those conversations need to be had rather than you know just saying it is what it is. It needs to be thought through more clearly. I think that what I just explained makes a little bit more sense than saying now that the property is an incredible position and it’s fully stabilized you know people are going to pay this insane multiple for it. I don't think that adds up.

Mark: I love the logic. It’s such a conservative way to look at it because essentially you're discounting any market factors. So I love that.

Hunter: Exactly.

Mark: Number six?

Hunter: So this is about the market itself and there's just a couple of things that we can touch on really quickly. The main one is I want to make sure that the property is in a market which is large enough to facilitate a diverse economy. So I'm looking, usually for a major metropolitan area. It's okay if it’s 40 minutes away but at least a half a million. Usually, this will allow you to have diversity of employment. So I'm looking for things like medical, education, government, hospitality, which can be very cyclical so you don't want to be over waged to that obviously and tech which obviously there's a lot of high paying tech jobs, but many of these companies that are paying all this money now some of them aren’t profitable so they rely on additional funding. So it's important to look at all of that. I think a good rule of thumb would be a 20 to 30 percent of the city’s income. No more than that should be attributed to one particular industry. Especially, if it's something cyclical like hospitality or even something like oil. People had a lot of trouble doing things like that.

Also, you know risks of the market tornadoes versus hurricanes? Tornadoes are those can be overcome. Hurricanes historically speaking those can present really serious challenges. I mean, you think about the damage that some of the tornadoes have done in the Midwest as opposed to hurricanes you know in New Orleans where you know things are still recovering. It takes years the whole economy can really struggle so you know just high level. Those will give you some good ideas. Median household income, income in general, those are things I want to look at for the market as a whole.

Mark: Fantastic. One of the best websites I think to check it out is BestPlaces.net. Do you like that site?

Hunter: Yes, I do like that one. Also, there's one that's a little bit more costly but I think it's visually really appealing as well which is Esri, E-S-RI. They have something called Business Analyst. It's about $1000 a month. That's really good information. They pull it from the same information. It's census data but you know you get some visual stuff. It would be cool to share it with investor kind of thing.

Mark: Very cool. Scott, why are you smiling?

Scott: $1000 a month, you lost me.

Hunter: Oh, excuse me. It's $1000 a year.

Mark: Yeah.

Hunter: I'm glad we clarified.

Scott: We are in the wrong business, Mark.

Hunter: You would be surprised. I mean that's like the cheapest it gets. The CoStar, for example, is another really good one and most of the sponsors that we work with they use CoStar. It's $2500 to $5000 a month, just overwhelming.

Mark: We love Costar because yeah it's building Scott's platform Land Modo every month because they keep raising their prices.

Scott: I love it because they're out trying to control the monopoly and they charge outrageous prices. So that's music to my ears more.

Hunter: Oh, perfect.

Scott: You just proved it twice. Thank you. I do have a question for you. So like one of the things that you had mentioned and I'm just going to go back to like the property one of the things that you mentioned is like the property performance etc. Do you ever invest in like a new development? So I'm going to come in and I'm going to build this apartment building. Is that something that you would invest then and if so how do you look at that development where the property is? Is it just kind of saying, “Well, okay, here's the architect and here's what we think and here is the projections on that component of it?”

Hunter: Yeah, that's really important. Obviously, when you're bringing in development it's like an entirely new risk profile even if it's only a component of the investment. So with things that we do through our company or my company we want to focus on the value add to stabilize risk profile with some of the development components being a part of that value-add components.

Let's say that we buy a property that is 50,000 square feet a self-storage we may have an opportunity to expand the facility by 25,000 square feet. That would be the highest in the range of risk that we feel comfortable in today's market climate or otherwise, I think that there's plenty of money to be made in that risk profile. When you do that to your point it's not about the track record of that particular property. We want to ensure that that property has demand in place. You can make good reasonable assumptions about the future in that case. But when it comes to the architect, the developer, the general contractor, those things are really based on track record. So it goes back to that first part which is just verifying, going on site, seeing those relationships and verifying the claims that they're making.

Mark: Very good, and then last but not the least Hunter, number 7?

Hunter: I think we're actually on six, I could be wrong about that. But there's definitely two more I want to talk about. I can run through them. I know are crunched on time trying to get as much content to the listeners as possible. So the property due diligence is something that's a little bit overlooked. It's really the physical property of itself. So, I'll just throw a few couple key indicators out that I like to take a look at.

So the number of units is really important to me because of the tenant diversification. With self-storage for example like 400 units. With retail I like it to be at least 13 tenants so that way you can get a good mix of different sectors of the economy. With multifamily, I like to have 100 units. With senior living, I like to have 100 units. That way if 10 people move out you're not going to have a major problem from a cash flow perspective.

I also like to see daily traveled vehicles in the 20,000 to 25,000 range. It's important to verify that those daily traveled vehicles do have visibility to the property itself rather than you're just driving. If there is a freeway that's right next to the property, but the property is under the freeway you're not going to get those know 50,000 square ... Excuse me give me numbers 50,000 daily traveled vehicles aren't going to benefit you. So those are just some quick ones and you know there's obviously a tremendous amount of details we can go into other than that.

Mark: All right, fantastic.

Hunter: One more?

Mark: Last one, yeah.

Hunter: All right, you guys are giving me some extra time as I really appreciate it. The last one I will just touch on this quickly, the legal documents. It's really key here to read them and I'm just going to say this no one likes them. I have spent more hours reading PPMs than anyone probably would like to admit, but the key here is just making sure that your understanding of the deal lines up with the way the deal actually is going to work from the legal contractual perspective. Does the executive summary line up with the legal documents? Once you get over that you want to look at things like voting rights. Under what circumstances do you get a vote? Do you have the capacity to remove a manager if they are a bad actor? I'm not saying one way or the other, but if you start to read these documents you'll start to get a range of what is appropriate and what is more investor favorable and what is more sponsor favorable.

A really important one is additional capital requirements. We do not invest in deals where additional capital can be required other than on a voluntary basis. So that's something that's just a no for me. It may be okay for you especially, if you're just an investor and you know we have to raise investor capital. But then also the waterfall is there a preferred return? What's the split above the preferred return? Does cash flow from operations above the preferred return count as a return of capital? Honestly, guys, if you go through and just ask three questions about some of the seven that we just went through you're going to be in a really, really high caliber of investors. I think it's necessary for the next 10 years to be as good as the previous 10 years for your personal portfolio I think if you start thinking about it like that your investors are going to be really knowledgeable and in a really good position.

Mark: Yeah, absolutely. You know Scott Todd, you know what my biggest takeaway was from this?

Scott: What?

Mark: Hiring kind of like an investor someone who looks at this stuff every single day.

Scott: Someone who likes to read this stuff, huh?

Mark: Yeah. I mean he's like a real estate quant and loves PMs and you know asks the right questions. So to do this on your own it's not that you can't do it on your own but if let's say you're a physician and you're making $750,000 a year your time is better spent not poring over you know sponsor questions and then verifying and going to TLO and going down all seven of these things and then still not going to bed at night knowing definitively you've asked all the questions. When you've got a guy who does it every single day full time, this is his expertise. It makes absolutely no sense. So that was my biggest takeaway for sure.

Hunter: Sure. That's very kind. I do appreciate that. That’s obviously very kind of you to mention that so I'm just trying to help. I know it's going to be tough to replicate those returns, but I'm a huge proponent of these syndication investments. So I don't want people to be burned, and I certainly don't want the government to get involved when people do. So that's my goal.

Mark: No, I think it's great. You know what's interesting about is it wasn't like you were throwing out a lot of legalese or overwhelming us. It was really good information, but at the end of the day if you're going to you know go into a syndication you're better off doing it with a professional than you are on your own. I mean with brother in law Bob this is a great podcast to listen to again and again ask those questions. But you're still not going to sleep 100% because you know you only have looked at one deal. I’d rather have somebody who’s looked at a thousand deals passed on 950 of them and know the reasons why they passed 950 of them and do it that way. So Hunter, so if we want to learn more about you where can we go?

Hunter: Yes, so go to CashFlowConnections.com, create an account and you'll also have access to some of the articles that I've written and the podcast that we have which you know, I love podcasts. I’m a huge fan of the podcast medium in general. Definitely had the honor to interview some awesome people in there so I'm sure a lot of your listeners who like podcasts will check that out. Other than that just don't hesitate to shoot me an email at any time and I'll shoot you a couple of eBooks and you know keep the education going.

Mark: Yeah. So we want to be more educated what would be your tip of the week?

Hunter: Yeah, I mean to be honest with you rather than one specific out close resource it's really just focus and execution. So if you can just do those two things it's really the answer to anything, right? So that's really the answer. So, especially, with the availability of good content out there on the Internet if every day your main focus is to execute on learning as much as possible you're going to have tremendous results just because of the one thing is that you're actually doing that. If you move, if you take action, the results are going to be tremendous especially compared to the other competitors out there that usually don't take the type of action that is focused. So that's my suggestion.

Mark: I love it. Scott Todd, you have a tip of the week.

Scott: I do have a tip of the week mark. Check this out. I'm going to put in the chat for you guys as well. Check out this at this website called Picular, Picular.co. It is the Google of colors, alright?

Mark: Picular.co. The Google of colors?

Scott: Yeah. So type in whatever color you're looking for or like thinking like a motion or something like summer or like water. So I'm going to type in like water and all of a sudden the colors start coming up that they've identified deal with like water. So I've got some beautiful blues on there, light blue, some greens, right? It gives me the hex code. So all these cool things for colors, really cool.

Mark: This is a great tip. Wow, I love it. All right, I'm going to get this.

Hunter: You know what? Can I throw an extra tip in because that just reminded me of something that I just did as well?

Mark: Yeah.

Hunter: There is I think it's called Coolers, C-O-O-L-E-R-S. I believe is the website. I can't pull it up right now because the internet's lagging a little bit. If you're trying to get a color scheme for an event, for a wedding, for a birthday that is where to go. That's actually not the right website. So I will link to the website. I'll send you guys the link so you can share it with your listeners. But it just reminded me real quick. Sorry about the interruption.

Mark: No worries. It's the best time ever to be alive, isn't it? I mean it's just so good. So my tip of the week is obviously learn more about Hunter. Go to CashFlowConnections.com. Just a little reminder to the listeners you know please support us. You know 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*. Also, today's podcast is sponsored by my own book *Dirt Rich* and learn how you can a $500 worth of goodies. Just go to TheLandGeek.com/Dirt Rich. All right Scott, or are we good?

Scott: We are good, Mark.

Mark: Hunter, are we good?

Hunter: Coolors.co is the company, other than that yes.

Mark: Coolors.co. All right, let …

Scott: Freedom

Mark & Scott: Ring

Mark: Thanks, everybody.

[End of Transcript]