



# THE LANDGEEK

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

Today's Guest: [Ryan Enk](#)

### 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. He is a dad. He's a real estate investor. He's traveled the US in an RV. But before we talk to our guest, I would be remiss if I didn't properly introduce my co-host, 'The Brain', 'The Professor', Six Sigma. You know him, you love him; Scott Todd from [ScottTodd.net](http://ScottTodd.net), [LandModo.com](http://LandModo.com) and most importantly if you're not automating your Craigslist and your Facebook postings, [PostingDomination.com/TheLandGeek](http://PostingDomination.com/TheLandGeek) (PostingDomination.com/#). Scott Todd, how are you?

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

**Mark:** I'm great. I'm great. I'm excited about our guest. He's kind of like one of us.

**Scott:** He's one of us.

**Mark:** Yeah. He's a dad. He loves cash flow. So, this is Ryan Enk and if you don't know Ryan, he's built two million dollar indoor sports rings in the New Orleans area. He was able to quit his job as a corporate drone to have passive income real estate. It took him about two years to figure out what he wanted to do with his life and he hasn't looked back since. Now he helps

people get to six figures in passive income. He's kind of giving back and he's got five kids. Ryan Enk, how are you?

**Ryan:** Hey, pleasure to be here. Thank you for welcoming me on your show.

**Mark:** Yeah, yeah, no worries. So, you've done a lot of stuff let's just rewind the tape and kind of give us a little bit background on how you got out of your corporate drone job and you started creating this passive income in real estate and let's just see where it takes us.

**Ryan:** Yeah, cool, cool. Well, I started like most people out of college and I subscribed to the common formula that you go to college, you get a degree, and this piece of paper is supposed to guarantee you some sort of way that you have a good income coming in. Of course, it's never the way in real life the way it's articulated to you by college professors or even your parents. So, I got this degree and what do you do when you pay \$20,000 for college education? Well if you were me you would have gotten a job as a teacher making \$24500 a year. So not exactly a great return on investment of that education.

But I was living in the New Orleans area at the time. There was a girl I was dating that I married the next year and I began to seek other paychecks. Because 24500 it just wasn't enough for me to live on much less the spouse I was about to have much less the amount of kids that we wanted to have. We have five kids now. So, I got a job also driving the bus, coaching two sports. I got a job as a youth pastor and a music minister and I got my real estate license on the side thinking that maybe I would get a commission with real estate as well. So, I had like five different paychecks that I thought that was going to come in that I was just spending you know 60 hours a week on.

Well, then if you remember Hurricane Katrina blows through New Orleans. I was living in New Orleans at the time. We had just bought our first house. That kind of wiped out all the previous formulas that I thought I had. I thought well maybe I'm making 24,500 a year but at least I've got a 401k, I've got benefits, I've got job security. Well, the school where I was teaching was six feet under water and so there went that job. Then we were, you know, basically displaced for a while. I was actually you know not technically but well technically I was homeless for a few days. I didn't have a place to go. You couldn't get back in New Orleans for about three weeks.

So, I remember being at this point where my wife was eight months pregnant. We have no place to live. We're staying at her little brother's college apartment at LSU. She is the oldest of 11 kids. So, it was her entire

family was staying over there. There was no place for me to sleep and I actually had like my head out the window trying to breathe because inside the car we were rationing gasoline. I had like six gas cans around me. I was trying not to inhale the fumes. This put me on this binge of like kind of in survival mode. You know like a lot of people. You know it might not be that drastic where a hurricane comes in and wipes things out but everybody's got you know situations or tragedies that have happened in their life that kind of put them in this mode of I've got to survive now.

So, I was in survival mode and there was two things in that year that I was really good at. The first was getting told no jobs that I applied for. The second was since everybody was telling me no I decided I've got to hire myself. So the second was actually just failing miserably at trying to start my own business. I actually had like a drug addict that I hired that stole \$4000 from me and went to Australia with it.

But at any rate, I finally got a job selling copiers which was great experience but it was just the most miserable job ever. So, it was that typical corporate job. You're driving to work every day. You're punching a clock. You're working more than 40 hours if you want to make your commissions you're working a little extra. I'm just doing something every day that I hated doing. I felt like I wasn't contributing to the world. I felt like I had a lot of gifts and talents that I wasn't really using.

The rubber hit the road for me when I was driving across the causeway of New Orleans which they say is the longest bridge over water in the world. I had just gotten my butt chewed out by a Catholic monk who I just sold the copier to. You know in the copier world there's like 34 people involved in a transaction. All of them can screw up but you're the one that gets the brunt of it.

So, I just got finished getting chewed out and I thought to myself wow this is this is as bad as it gets because I'm just over broke. I can barely afford my family as it is. I hate what I do. I'm waking up every day with anxiety. I asked this one question that really changed my life and was it was a huge game changer in everything I did subsequently. I said, "What would I do if money didn't matter? Say I had a million or two million dollars in my bank account what would I be doing right now?" I thought to myself, "Well if money didn't matter I would maybe open up an indoor sports arena where I would play music or something.

My wife, who I never had this conversation with before, I called her and I said, "Hey babe, you know obviously, I'm miserable. We're broke. I'm supposed to be you know providing with this job I'm not even providing with

it. What could you see me doing if you know we had a million dollars and money didn't matter?" She said, "I don't know maybe opening up an indoor sports arena or something like that or playing music." But we never had this conversation anymore so I was like, "Well, remember was your idea first so."

So, I just started pursuing it but one of the things that got me there is you know I said to myself I've got this working hard formula down. I've been taught all my life that working hard equals success but if that were true then coal miners would be millionaires. So, working hard is not really doing it for me you know this phase of my life. So, I've got to start working smart. So, I started reading books, financial books, all kinds of other books and I stumbled across Robert Kiyosaki's, *Rich Dad Poor Dad*.

**Mark:** Isn't that funny that that is the book that is such a catalyst for so many people to go on and start buying assets and building passive income.

**Ryan:** Exactly. I mean it really shifted my mind frame. It shifted all the way, all the previous formulas that I'd been taught. You know a lot of people are like you know where do you start and they want to know exactly what to do. That book doesn't really show you what to do. But it completely shifts your mindset on how you should approach things and I'm very grateful for that. So I decided real estate is going to be my vehicle. I'm going to use real estate as a way to make passive income.

It was a long period of discovery on strategy because as you know if you get started real estate and you're just like I'm starting from scratch where do I go? There's thousands of things out there on what to do and. It's like you know trying to put all the pieces together on the exact things you should do right now. I did a lot of things and lost money on them and some things I made money on.

But basically I broke it down into one specific strategy and once I nailed this strategy I was able to create enough passive income to replace my working income. So not only did I replace my working income I didn't have to work anymore but I replaced my wife's working income so she didn't have to work anymore. I grew our net worth to over a million dollars in one year. Now keep in mind I was pretty desperate and I was you know really aggressive with it. Then a year later I opened up my indoor sports arena and a year after that I opened the second one up on the south shore of New Orleans and that was all she wrote.

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

**Scott:** I got a lot of thoughts here. First, it's amazing what you can do when you start to ask the right questions, right? It's funny because when you're going through life and you're just like going through the routine you know like just like what you said you're driving over the bridge and just asked yourself a question. It's a very simple question that you probably have heard people say or refer to that multiple times. It's not like you just came up with this you know new question in the world. But you asked yourself a question and then it took you down a path of discovery. It's always amazing to me like when people are struggling it's just like it literally comes down to like one question or one moment. I've had scenarios where I've struggled like what you're saying and you're like you just I hate my job. What am I supposed to do? You know something's wrong. You know it's not right. Then all of a sudden just one little question it gets your brain thinking in a different avenue.

Then the other thing is that you know Ryan I think that one of the cool things about your story, I mean we didn't go into that like how do you go from where you are to getting an indoor sports arena, right? That's a whole story in and of itself which I'd love to know.

But what I know for a fact is that there's no way that you knew all of the answers to go from where you were to achieving that goal before you started. The reality is that I'm sure along that path you kind of had like okay well maybe here's the first two steps one two and then you started down the path and then like three four five opens up and the next thing you know you're at step 10000 whatever it takes to do that. It's so simple to sit there and tell yourself, "Man I need to know how this whole thing is going to work before I go down the path." You can't do it. There is no way.

**Ryan:** Exactly. I call it the ready, fire, aim process. I mean you get ready, you learn a piece of knowledge, you fire and then you either hit the bull's-eye or you completely miss. But you know how to adjust it after you miss if you do. That's the exact process that I went through a constant ready fire, aim, type process.

**Mark:** So Ryan, walk us through your unique real estate strategy.

**Ryan:** Yes. So, my strategy it starts with you know understanding that the two different strategies involved in real estate. So, there's basically when you strip everything away everything can be fit into two categories there's what I call quick nickel and there's slow dime. Quick nickel is flipping like wholesaling and you know just buying rehabbing what you guys do with land. You know? That's a quick nickel strategy. There's a way to make those passive income by automating the process and whatnot. Then there's slow

dime which is simply you know you buy something and you rent it out. When I was first getting started I was because I didn't have money to start with. I was trying to buy things with owner financing and creative financing. So I'd basically get the owner to become the bank to me.

But after doing one of these deals where I basically took out a home equity line of credit and I used that as a down payment to this guy for his house, I thought to myself wow this guy's got a pretty great deal because he got \$34000. He doesn't have to go out and talk to tenants or fix pipes or anything else like that. He doesn't have to cover the taxes. If anything you know a hurricane blows through again I'm responsible for the insurance claims like I was responsible for everything. So it basically took that asset that was even with the property manager not entirely passive and it made it entirely passive.

So, I thought to myself well this is basically the strategy of the banks like Wells Fargo isn't going out to fix pipes. Wells Fargo isn't you know getting phone calls saying, "Hey, I might not be able to make it this month," you know? So, I thought to myself well. Why don't I focus on acquiring real estate assets? However I acquire may be it a private money lender or you know a cash investor, a home equity line of credit, whatever it is that I use. I've even put new credit cards together business lines of credit. I've put enough together to buy something at a foreclosure sale and then turn around refinanced with the bank.

But I thought why don't I just acquire the assets, however, I've been trained to acquire them and then turn around and instead of flipping the house where I might make \$10,000 to \$60,000 and instead of becoming a landlord where I might make \$200 to a \$1000 of passive income, why don't I become the bank to other people? So in that way, I can get \$10k to \$60000 thousand dollars as a down payment or an option payment on the house and then I can create a lease where I'm getting \$200 to \$1000 per month in passive income in that way. I'm both making the quick nickel and I'm making the slow dime.

**Mark:** So, you're essentially the bank?

**Ryan:** Right.

**Mark:** So Scott wants to buy your house that you bought let's say 80 cents on the dollar you sell to Scott for 100 cents on the dollar.

**Ryan:** Exactly.

**Mark:** Scott gives you the down payment and then you owner-finance him and he owns that house at the end of that note, correct?

**Ryan:** Absolutely. Yeah, correct.

**Mark:** Then you deed the property. Now with Dodd-Frank doesn't that limit you? Because now you can only do so many times before you're a mortgage originator.

**Ryan:** Well, I mean there's all kinds of ways to go through that. I mean there's different insurance instruments that you could use to owner finance something and it's a technicality but it's a way to do it to avoid Dodd-Frank. I mean there's bonds for deeds, there's deeds and loose there's credit sales there's land contracts. The way to do it is to basically get an auction and that is separate from a lease. You can auction many properties as you want with a lease and that's the way to avoid some of those stipulations.

**Mark:** Scott Todd, this is very similar to the Mitch Stephens model. What do you think?

**Scott:** It is. I mean that's what I was thinking. But Ryan are you are you taking like run down homes and not put money in them or these things truly livable and the margins are tighter?

**Ryan:** It's kind of both. You know the majority of my houses are bought from motivated sellers but a lot of them are foreclosure situations as well. So there's typically not all the time but most the time there is little repair that's needed in the houses.

**Mark:** Okay, great, great and then if they don't pay, big deal. If you do a land contract there's no cost of foreclosure you just get another down payment and you sell it again. What's your default rate?

**Ryan:** Yeah that's exactly it. You know I like doing this because you get to help people become homeowners again that didn't have the chance to become a homeowner through the bank. So one of the first people that I did it with they were a new couple. They had bad credit in the past because they made some foolish mistakes. They had a new baby and they had some medical debt. So, their credit wasn't great but their income was great and they had a down payment that they could give me. It made me feel really good a couple of years later for them to be able to become homeowners and to be able to create wealth in their new lives.

That's 50 percent of them. In my experience, it's 50/50. Other people have said 80/20, some people have even said 19/10. But in my experience, it's been 50/50 and it might be the way that I'm doing it. But the other 50 percent of them they do default on it and it's actually you might think that that's a bad thing actually financially it's the best thing. I've had a house where I've gotten \$20,000 the first time, \$30,000 the second time, and \$40,000 the third time on one house. It's always a situation people think well you know these people must have been you know pissed when you kicked them out. Well, I never kicked them out.

So, the first guy he had an argument with this girl that you know he said was like his daughter. I guess it was just a weird situation. She was supposed to take over the rent payment, she never did she moved out. He didn't need the house anymore. He said, "What are my options?" I said, "Well based on our contract you could sell the property. You've got equitable interest in the property. You go ahead and sell it on the market." So he cleaned everything up. He painted everything. Everything was better than how I left it. And the house was completely vacant because he was putting it on the market. Well, he asked about 30 grand more than what the house was worth and it didn't sell. So after 30 days, he's like, "I can't keep on paying this note. I just got to give it back to you." So, he just gave it back to me in pristine condition.

The second and third couple they were just divorced and I gave him the same option. "Look you could sell this. Why don't you sell it? But you have to honor your agreement with me in the meantime." Because they were both just getting divorced they were like. We just want to be done with it. So in my experience, it's never been unpleasant having to remove somebody from that situation. It is just a nice chunk of cash down that you know they're ready to move on from.

**Mark:** Yes. Scott, doesn't it sound familiar?

**Scott:** I'm sitting here thinking of all the people that I've taken land back from Mark I've never had anybody like lash out at me. Like even when they have stopped paying I mean I've had people that are just like, "I don't want to anymore. I can't afford anymore," whatever. But of all the people that I have like told I'm like, "Hey, our deals' over. Send them a notice determination like it's over because you didn't make the payments," I've never had anybody like lash out at me and call me a slime bag or anything, knock on wood. But the reality it's like they know. They know that they...

I had one guy, Mark, that we gave them I think actually like 90 days and then we turned around and we sold the property. We took it back, we gave



him an extra 30 days, we took it back and then we literally sold it like two days later. Then about a week later he calls up he's like, "I got the money. I want to pay." I'm like, "We already sold the property man." He was like, "Okay, I understand." Then like I had another guy call me up six months later is like, "Hey I know this is not fair to ask you this but I'm going to ask anyway. But you know like I paid you all this money can I at least get a credit applied on another property?" We're like, "Yeah, no problem." He started paying us again. It's amazing.

**Ryan:** Yeah.

**Mark:** Ryan, your model is very similar to our model in land. We do owner financing. We do land contracts. It's just you know volume we just play the game can we create enough of these notes or passive income exceeds or fixed expenses. There's no cost foreclosure. We don't worry about Dodd-Frank. We never have will have a tenant and it's pretty amazing. So my question is why doesn't everybody do this? You know you get to a REA meeting right and there's going to be 100 people in that room 99 are going to be house flippers, wholesalers, or landlords. Why are you going to be the only person kind of doing this model like this?

**Ryan:** That's a great question. That goes back to Scott's original point is you've got to ask the right questions and that's a very good question that your listeners should pay attention. Why isn't everybody doing this? My answer to that is it's got to be fears. You know people have perceived fears of what that situation is going to look like. You just confirmed and in my experience like it's never been a problem to take back a property that someone put \$40000 down. It's just the way it pans out.

If you go visit the pre-foreclosure sales, go visit people go through pre-foreclosure they abandon the properties. They leave them. They don't care anymore. They have moved on in their life. They've accepted a loss. Whatever is going on psychologically with them it's never an issue. I am with you guys it's never been an issue and it's just one of those things that people perceive that it's going to be a certain way that it's actually not. So I think it's just kind of following your barriers down that rabbit hole and saying, "Well, all right, let me not just say no to this strategy because I perceive this fear. Let me actually look into this and figure out how this is really going to pan out."

**Mark:** Yeah, yeah I love it. I love it. So, what's some of the worst advice you see or hear given your area of expertise?

**Ryan:** Well, you know I think if I could speak in general to real estate I think that the biggest problem out there is a lot of people understand that real estate is this great mechanism for developing wealth and people understand that this could be the vehicle. Like I understood when I really didn't know anything about it this could be the vehicle that gets you from point A to point B. I think the problem is that there's a lot of gurus out there that are just pushing one strategy.

So, a lot of people just go into it to try to create passive income financial freedom for themselves. But what they end up doing is they end up in a strategy that is just another job. So, if you solely focus for example on wholesaling or rehabbing or flipping, that's going to be your job for the rest of your life. Unless you combine those strategies some sort of way with a passive income creating strategy then you got into it for a certain reason but you ended up with the same result.

**Mark:** Yeah, I mean we see that all the time even with people that buy their own business or start their own business. They think this is going to be my path of freedom and they become slaves to that. So, Ryan, we're at that point now the podcast where we're going to put you on the spot where your tip of the week – a website, a resource, a book; something actionable for the Art of Passive Income listeners to go improve their businesses, improve their lives. What do you got?

**Ryan:** Well, you're actually asking me this at a good time because just yesterday I finished recording the audio version of my book and so today it's actually released. The concept of this book is and I'm sure you guys get asked this all the time where do you start? Where do you start in real estate? You're like, "Well, you know it's hard to answer that question. Do you have any money? How's your credit. What was your risk tolerance?" So I was actually watching this show on TV called Alone. My kid, we had another hurricane threat so the kids were off of school and they were begging me watch this show 'Alone'. Have you ever seen that show 'Alone' or heard of it?

**Mark:** I haven't, no.

**Ryan:** It was a history channel show and the whole concept is they take 10 guys and they drop them off by airplane or boat on Vancouver Island in Canada.

**Mark:** Oh yeah, now I know that show.

**Ryan:** Yeah. So, the whole concept is they've got one backpack that they can fill whatever they want in it. They've got one pack backpack and the person who survives the longest wins a half a million dollars. As I'm watching the show I ended up bingeing it like crazy. But as I'm watching this show I'm thinking this is a lot like real estate because real estate is just a game of mindset, skills, and strategy and that's all that this show is about. So I was really inspired by this show.

So, I thought to myself, if I lost everything which I did in Hurricane Katrina. But if I lost everything had to start all over I had no money. I had no credit to borrow on. I had no experience. I was just in a random town and world and I had creditors knocking at my door, I had bills stacked up this. I had a family to provide for. What would I do to make \$10,000 this month?

So, the name of the book is called *The Seven Day Real Estate Survival Blueprint: How to Create \$10,000 Out of Nothing In Less Than a Month*. So what I go over is I basically pack 15 days' worth of my real estate experience into a seven-day step by step battle plan by the hour of exactly what I would do, who would talk to. I talk about two different strategies that I would use because you can't use banks in that situation. So you know for your listeners I'd love to be able to give them an offer for the book if they could just cover the shipping costs. I'll send them the book for free. That link will be [CashFlowDadLife.com/LandGeek](http://CashFlowDadLife.com/LandGeek).

**Mark:** All right, we'll have a link for sure. That's really generous of you, [CashFlowDadLife.com/LandGeek](http://CashFlowDadLife.com/LandGeek), easy, so phenomenal. Scott Todd, what's your tip of the week?

**Scott:** Mark, I know you have moved on from email like you're working to break your email addiction, right?

**Mark:** Yeah. I'll tell you what. By the way, I'm on week four have not checked my email more than twice a week, same thing with social media. I mean not twice a week twice a day. Same thing with social media. Then just typical you know other things. I think I'm not ready to put the Mission Accomplished banner up yet but it's getting close.

**Scott:** All right. All right well for those of us that are like still like working in our email check out [KanbanMail.app](http://KanbanMail.app), Kanban Mail, so K-A-N-B-A-Nmail.app. It's very, very similar to Trello. So you take Trello, you combine it with your mail. It all comes up on the left side you can say like this is to do, this is being done today, this is in progress, or this is done. You literally drag your mail through because most people end up working out of their email. We know that, right? Email has transformed from a method to communicate to a

method to keep track of the work that we have to do. So, why not think about it in a different aspect? So if you like the idea of thinking of your email kind of in a modular format so that you can keep track of what's happening, check out this app website.

**Mark:** Wow. Have you done it yet?

**Scott:** I did. I did. It's pretty cool.

**Mark:** Is it going to stick?

**Scott:** It's kind of like it's one of those situations where I do like seeing the email this way. I do like the way that some of the tools that Gmail actually has too. But you kind of got to balance it. But if you're a person that works out of your email, you really need to look at this app.

**Mark:** I love it. I love it. I don't know if it's necessarily for me because I do love my Snooze on Gmail but I don't know.

**Scott:** That's kind of what some of the things that you give up. But you know and I kind of have some integrations built into my Gmail. Like I've got some Zaps set up that say like okay if I tag this record as like accounting it automatically sends it to my bookkeeper. It's like there are set up then go in for that email I just tag it. It goes into that label on the left-hand side and goes. So, this isn't for everybody. But if you're struggling with the way that you work on email, check it out.

**Mark:** I love it. I love it. And of course, my tip of the week is going to be, learn more about Ryan Enk at [CashFlowDadLife.com](https://CashFlowDadLife.com), [CashFlowDadLife.com](https://CashFlowDadLife.com). Ryan, are we good?

**Ryan:** Yeah that was fun. Thank you so much.

**Mark:** Well, thanks so much for coming.

**Mark:** Scott, are we good?

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

**Mark:** All right. I want to remind listeners the only way, the only way, we're getting the quality of guests like a Ryan Enk from [CashFlowDadLife.com](https://CashFlowDadLife.com) is if you do three little favors: you've got to subscribe, you've got to rate, you've got to review the podcast. Send us a screenshot of that review

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Today's podcast is sponsored by [GeekPay.io](https://GeekPay.io). Ryan, you should check it out. It could be working great for you. Get those monthly payments on an automated basis via ACH; if ACH fails, it will charge a credit card on file. It will do the ammonization. It will do all the notes. Never do you have to pick up the phone again and talk to a borrower and say, "Hey, what's my current balance? They can log in and see it. It does all the notifications. You can always make more money. You can't get more time. Check out [GeekPay.io](https://GeekPay.io). Anyways, I want to thank all the listeners and of course, let...

**Scott:** Freedom.

**Mark and Scott:** Ring.

**Mark:** Thanks, everybody.

*[End of Transcript]*