



# THE LANDGEEK

## The Land Geek Podcast With Mark Podolsky, AKA The Land Geek

Mark talks with Jeran Fraser, [ReserveLand.com](https://ReserveLand.com)

### Transcript

**Mark:** Hey, it's Mark Podolsky of TheLandGeek.com and FrontierPropertiesUSA.com and I'm really excited. This is my first attempt at podcasting and I've got with me, hopefully I'm going to make him commit to this, my regular partner on this podcast Jeran Fraser of Reserve Land Management his website is ReserveLand.com. Jeran and I got in this business together in 2001 and we're going to talk about our stories in just a second but I do want to introduce Jeran properly because just to pigeonhole him as a land guy would be incorrect. He is a serial entrepreneur and his story is fascinating because he got started when he was 21 years old and so he's six years younger than me. It is just incredible. So Jeran how is it going buddy?

**Jeran:** I'm doing great. I'm really upset that I missed your 40th birthday Mark. I didn't even realize you turned 40 so congratulations to you old man.

**Mark:** That's because I am completely ignoring the fact that I'm now 41. I'm just going to start counting backwards now, but we all can't be as young and as good-looking as you Jeran.

**Jeran:** It's pretty hard. Let me tell you it's pretty hard going bald and gray at 35 but I will say that what's brought me here today all the fun and

enjoyment and everything else that goes along with being a serial entrepreneur I'll take it. I'll take the bald hair, I'll take the gray beard and gray hair that I'm starting to see that really makes me sad. But anyway I do have a pretty cool little back story, but it wouldn't be the same if I didn't have you buddy. So you want to talk a little bit the story or do you want to go into some other details?

**Mark:** yeah. Tell us how you started from his 21-year-old punk kid who knew nothing about real estate and now you're living off the ocean in Carlsbad and you work at land six hours a week. Is that what you told me?

**Jeran:** Yeah, you know it's kind of maybe push it a little bit. I may be exaggerating a little bit maybe a little bit more like five hours a week but yeah. I got into the land business at the ripe age of 21 years old that my grandfather gave me a quitclaim deed to a piece of land that he thought was worthless and he had traded gemstones from it in the 1970s outside a little town called Taos, New Mexico. At that ripe age of 21 I thought Taos, New Mexico was actually the country of Mexico. I wasn't quite sure; geographically I wasn't a very, very intelligent at that point in time. So I didn't know what to do with this of land.

I decided you know what if I could sell this thing maybe I could put a little money in the bank and continue my dream of trying to be as a professional surfer; which at that point time I didn't have the athletic ability to barely stand up on a board but I had dreams. So anyway I took a piece of land went on eBay. Sold this piece of land and \$800 later I thought that I was Donald Trump.

**Mark:** So \$800 on your first transaction.

**Jeran:** Correct, correct and to be honest it was hilarious I didn't know what to do with the deed, I had no clue how to transfer the sale; I just was like \$800 sounded awesome I would figure it out. So now had I gotten back to my grandfather and told him I sold this piece of land and made 800 bucks he probably would have made me give him 795 back just begin to know how cheap my grandfather is. But nothing bad to say about him, but that just the way he rolled and there's nothing wrong with that.

So I took the first piece of land, I sold it and then my next question was which kind of leads me to how do you become an entrepreneur, the mindset of entrepreneur. You kind of open your brain a little bit, get creative and go how do I do it again, what's next. So I decided to research this and find out exactly where this place was because obviously I hadn't been there, I'd spotted it on a map probably after I sold it and then I realized hey I need to

get back out there and see if I can find some more. So it just so happened that three months later was the next auction so I took my \$800, I borrowed \$500 from my mom and \$500 from my sister promised them both a 35% return on investment after six weeks.

**Mark:** That's very generous.

**Jeran:** Yeah, they actually thought they knew they had written that money off but for me I thought there's a chance this could happen, it was slight but it was a slim chance but I figured we could do it somehow. So take my \$1800 to go jump on my Southwest plane to Albuquerque, take a drive up there, have no clue what I'm in for, get to the auction. I noticed there's about several people that don't belong there and it just didn't feel right. I go gosh what are these people coming from? They don't look like they are from Taos, New Mexico.

It was a two day auction, at lunch time we all go out and I go out and me being sort of a obviously I'm not an introvert I went and said let's go do some lunch guys, let's all chat and see what's going on. I sit down and I happened to sit down with five other people that are doing eBay auctions and they are all pretty wealthy people that are doing well in this business and they had just all sort of started at the same time except four, they had already been to four, five or six to different auctions together. So, we all sort of chatted to see what was going on and low and behold we all made friends and to this day most of them are still friends of mine which is pretty crazy. It's almost been whatever 14 or 15 years later.

So it's interesting for me to look back on that but in any case, I picked up about five or six parcels at this auction and I ended up selling them for probably between 6000 and 8000. I don't recall the total number but of course you can figure out return wise it was pretty good.

**Mark:** It was a huge return. You and I bet at that my first auction which wasn't in Deming, New Mexico and I had \$3000. I mean I was freaking out. I remember telling my wife that I was going to do this and I'm going to try to buy land and at this time I was doing investment banking, I was doing mergers and acquisitions with this little boutique firm that was completely miserable with at that time. But a buddy of mine said hey come do this with me and he'd been doing really well.

So I remember going and I'm freaking out. I don't know what I'm doing and I bought I think 10 pieces at that auction at an average price of \$100 or something like that. I remember spending all 3000 I forgot what it was but then I made like a 300% return on that auction and then the next one was

Arizona, in southern Arizona. You and I went to that one and you and I we picked up property for like a \$1 and \$5 and I remember that was the big auction where I think I spent all the money I made on Deming and ended up making over \$90,000 over the next six months which allowed me to really think about quitting my job. I quit my job the 18 months after that and it was just phenomenal. So, this business is weird, it's this niche, it's land, it's not houses, it's not flipping houses and you been involved in a lot of different businesses. But why do you like land so much?

**Jeran:** Well you know it's one of those things where looking at land from a creative aspect on a sales side, marketing side, acquisition side, what can I buy, where can I buy, the unique part of that owning a piece of land compared to a piece of paper it was just so much more intriguing in stepping on a piece of land and saying this is my land. So going back to that Arizona auction you were talking about I had one of those auctions prior to it. It was Valencia County auction where I actually had an average purchase price I think was \$33 a lot and sale price of \$1000 a lot and I think that was kind of my catapult. So Arizona was a great auction for me but I actually think that the Valencia auction for me was enormous. I think I spent about 3000 or 4000, maybe 5000 at that auction and I think I made up a return in like maybe 12 weeks of about \$60,000 to \$70,000. So was it was pretty good. You know those numbers don't reflect what's going to happen on your everyday occurrence at an action.

**Mark:** Right, right. I mean you shouldn't be listening to this and expecting oh I'm going to go at an auction tomorrow and make these kinds of returns. I mean this was back when no one knew about this, before John Beck started doing infomercials late at night telling people how to go to these auctions. So it's a much more complex business model because you really have to diversify as far as getting deal flow, it can't just be tax auctions anymore. I do a letter campaign; I do bulk sales with distressed individuals and companies.

So it's much more involved now than what it was when we got started, but it's much more exciting because Jeran and I have already made all the mistakes and can really help other people now avoid those mistakes. It's really gotten down to where we have it systematized and I think that's what this podcast is going to be about. The bottom line is I started with \$3000, Jeran started with a piece of property and really that gave him \$800 to play with. You don't need hundred and thousands of dollars to start buying and selling raw you really just need a little bit of knowledge and courage really to go out and do it. Would you agree?

**Jeran:** A hundred percent Mark, a hundred percent. I think that's where people need to realize that and the difference between 2000, 2001 and 2013 is there are so many more advantages in terms of the Internet, in terms of how to market your land that we didn't have back then. We only had one place to go and that was eBay. Now these sellers can go anywhere and market and they can still use direct marketing campaigns. There are so many ways to market now that it gives the seller an upper hand.

**Mark:** Oh yeah. I mean the analytics now are crazy. I can go on the website now and I can say I want males who have income of \$60,000 to \$120,000, they subscribe to these magazines which are typically outdoor magazines, and maybe they like something that has to do with raw land. Like I already know so much about them and I can just a direct marketing piece to them very easily and I know okay I'm going to get this many sales out of this one marketing piece. It's tremendous what technology can do for your business today and we're going to talk in the next few one months and weeks weekly about how we do this, our systems and why we love land so much.

I love land so much because I feel like I can't lose and that's what I told my wife. I was like even if I can't sell the property I own land, I have an asset and from an investment banking standpoint, which I came from I saw that most companies are run by management for management; they're not running these companies for the investors. So if you buy a stock you have no idea what management is doing. I mean if I buy Apple Computer tomorrow yeah I like iPhone, I like Max, I like them but I don't know how they're running their business, I don't know what their strategy is and honestly their financials are so complicated now I can't even understand it. But a piece of land is very simple to understand and I can control every aspect of it: I can improve it, I can change the zoning, I can build on it or I can just use it recreationally and it's just great. What do you think Jeran stock market or real estate?

**Jeran:** You know I would put all my models in the stock market if I believed truly that you know like throwing darts at a dart board and eventually something is just going to pop and I'm going to be the gazillionaire. No, I am with you Mark. I totally believe that the stock market is manipulated. I mean let's be honest with you they've created this algorithms, the banks create these algorithms that are a millisecond faster than the average investor and they'll make a quarter of a penny on a paper stock and make these trades of 5 million or 10 million shares and make money while the average investor can't make a dime. Again it all comes down to control. What control do you have of the stock, what control do you have of your land.

So for me it's control, it's complete control of everything. The control that I make just like you Mark I make the decision when I get to hang out with my family. I love the fact that I can wake up in the morning and I don't have to go to an office with a bunch of employees and listen to a boss or even sometimes be the boss. I mean I have employees but when I talk to my employees they respect me and I write their paychecks but at the same time it is a friend to friend relationship, we're all in a fun environment, we're talking about land. So it's really neat to be able to talk about and work with land and not have to deal with something we can't control.

**Mark:** Yeah, I agree. I mean I love our lifestyle. I have an office; I don't work out of the house. I used to work out of the house. I have three kids and they've got to the point now they're just too loud. Jeran is so much younger than me, he's got two young boys, but yeah, I mean, it's unbelievable. The lifestyle is phenomenal because you can do this from a computer, you don't have to travel and you can decide when you work, how you work, where you work and let's get back to that five hours a week thing. I know the Tim Ferris book, *The Four-Hour Work Week* you're really living this four-hour work week thing. How are you doing it?

**Jeran:** First let's go back to Mr. Ferris. Nothing about Mr. Ferris but I'm pretty sure that he made his money by writing a book; he didn't really have a four hour work week.

**Mark:** That's true. He is the best self-promoter out there, you've got to respect the guy, he's amazing.

**Jeran:** He should actually change his name to his book to Four Hour Self-Promoter. Anyway, I didn't spend a whole lot of time in the college days; going to college we had a school right in the ocean. I went to college to the little small college in San Diego called Point Loma and we called it surf school not college because basically we would basically get up every morning and check the surf and if it was good we'd skip class. It was that simple and I really for whatever reason didn't want to go to school, I didn't feel like I needed school and I look back and go man the education was great but I felt like it was always 13th grade. I felt like I was learning something good it was 1<sup>o</sup> from my senior in high school but that just didn't make sense to me.

So I always wanted to work myself. I knew I did and at 19, 20, 21 just trying to figure that out it's hard and as a young boy I had to work because my mom didn't have any money. So I'd wake up at 4:00 in the morning, had a paper route and I remember every morning I'd take \$5 and I'd put it on my mom's counter and say here you go mom this is for lunch. It was such a neat feeling to know that I'm helping my mom and then I understand the

value of money and it's not a position you... I mean you're your put there and it's just a circumstance you have to deal with in life. So for me I come to that transition at 19, 20, 21 and go what am I going to do? How am I going to do it? I had always had to plan of working smart and not hard and obviously the internet gave us that platform to do that.

So I came out of college, I knew what I wanted to do, I knew I could figure it out the sweet spot which whether I put myself in a position I always say I'm blessed to be where I'm at. So I don't think I put myself there, but that option was given to me and I just kind of went after it. But as an entrepreneur you go after these ideas and you chase them and you try to work efficiently and smart and not hard and then if you're working five hours and you're making good money that's just the way it is. You try to keep that lifestyle and I was able to do it for gosh I don't how many years - 6 to 8 years and then I started getting... I have always had a passion to get involved in the startup community and here in San Diego I have done that. So I work a lot more than five hours a week but on land itself I'm still probably at about a 5 to 6 hour week guy.

**Mark:** Yeah, and the reason you can do that and the reason our lifestyle is so amazing now it's because we built up enough of a cash base by buying and flipping raw land that then we started buying property that we could sell on land contracts and now we're getting passive income in every single month which is kind of the insurance method. Nothing is better than insurance because you don't even have to buy a piece of physical inventory but nobody wants talk about insurance. We all need it but it's not as fun as buying land but you buy a piece of land, you sell it one time and then get monthly payments. It is not like with a rental house where they are calling you at 2:00 in the morning I've got termites, the toilet is out, the roof is leaking and it becomes this huge maintenance headache. Raw land needs no maintenance and it because of that you have this passive income coming in and as a result, it affords a tremendous lifestyle once you get to that critical point where the income coming in passively exceeds your monthly expenses and once you hit that point there's really nothing better.

**Jeran:** Definitely, you nailed it Mark. I mean passive income we all dream of it and some people dream that multilevel marketing campaigns is going to take them there. Unfortunately we don't agree with that but hey that's to ease their own. But there is an ethical idea of passive income in my mind and I'm not putting down any MLMs because there are some that are okay out there but it just gives everyone the false impression that money can be made easily and passively. With land you don't have to screw your friend to make money.

**Mark:** You're giving him an asset, right.

**Jeran:** Exactly. So you nailed it. I mean it's just the life and the ability to wake up in the morning, go get your mail in your mail box, open up and realize there's a couple of checks there that you have received and you're on a 10 year note and that you can simply take your iPhone and take a picture of this check and there you go. I mean you literally do not have to leave your house anymore. You can sell land on the internet. I mean of course when you buy land you have to be there to take some pictures, make it look good but when the time comes and you're getting those checks and you're a year into it, you realize gosh I spent one day, two days to buy this land. Maybe a week to put the marketing campaign together, maybe a month to sell it and then boom 10 years you've got a check every single month. It just it's flawless. It's a flawless concept.

**Mark:** Yeah I agree, I agree. So let me ask you this, if you could do it all over again you're 21 is there anything you'd have changed?

**Jeran:** No, you know what looking back I don't think so. I actually the entire road, the entire journey of land have been so amazing. I mean gosh from 21 buying a lot Taos, New Mexico to our acquisition of 40,000 acres that we made when I was 25...

**Mark:** Yeah, that was a big deal. We should talk about that in another podcast and break that down, the Nevada acquisition.

**Jeran:** Yeah that would be an interesting conversation but it's all about taking risks, it's all about forward thinking and the mindset that you can do anything you put your mind to you just need to take some risks.

**Mark:** Right yeah. I mean the thing is I'm very risk-averse much more than I think you are. I'm very conservative, very risk-averse yet somehow I have no problem buying a piece of land because when I'm buying it I know the old adage in real estate you make money on the buy and not the sell. So if I know I'm buying an asset 30 cents on the dollar, 40 cents on the dollar well what is the risk in that and then the fact that okay what if I can't sell it and let me be clear in 12 years I've lost money on only one parcel of land. Out of I think 5000 deals that I've done I've lost money on one. So I've gotten really, really good at this.

**Jeran:** Mark you're lucky. I actually I haven't had any losers but what I do is if I know I have a loser I don't sell it. So I can't say that I have a loss to this day and we probably did the same amount of transactions, but I do have one and I have to, this is a funny story. But I did have one that I



accidentally bought, I didn't do my research and it was underwater and so I just didn't want to sell it because I felt so bad.

**Mark:** What do you mean it was underwater?

**Jeran:** I bought some property. I went to an imperial county auction in California and I was not paying attention. Once again if you get into this business you've got to pay attention, attention to detail is very important.

**Mark:** You know what our next podcast is on due diligence.

**Jeran:** Yes.

**Mark:** Just due diligence.

**Jeran:** Yes, because if you don't follow a strategy or a structure you're in trouble. But I remember going to an auction it was my probably my 10th auction or 11th auction show up and they had the list of redemptions. Where they cut the auction number out of the list and I'm not paying attention and next thing you know I have my hand up, I'm buying this property, no one is bidding against me. I'm [00:22:34] [indiscernible] what the heck is going on? This is amazing and I go to county office to realize what I buy and I find out this property is under water. Well I still pay the property taxes each year, it's not a lot of money and I did spend some money on this property but I've realized that it's not a loser if I still own it.

**Mark:** Right. Are you going to improve it? Maybe improve it and then it will have more value.

**Jeran:** Yeah, I did. I put a houseboat out there with an anchor so it is completely livable. No, I'm just kidding Mark, I would never do something like that.

**Mark:** Right.

**Jeran:** No, I can't subject myself to losing on any land deal. So yes to this day in 12 or 13 years I've never lost a land deal.

**Mark:** Yeah, yeah it's pretty crazy. It's a pretty crazy thing. So all right I think we should do a tip of the day and give people out there some type of tip or website they can go to learn more about land or how we do this. So what's what your tip of the day? I know I'm putting you on the spot here and you may have not even thought about it but what you got?

**Jeran:** Two of my favorite websites one just to kind of keep me updated on what's going on auction-wise TaxSaleLists.com.

**Mark:** TaxSaleLists.com is that John Rim's site?

**Jeran:** I have no clue. I don't pay attention to whose site it is. All I use it for is a map to click on it find out when the auctions are coming because that site is helpful in knowing what's coming up. But you need to do a lot more due diligence they don't really offer that on the site which they should but they don't and they do offer like an extended package and all the auctions do, but if you are the county website generally you get more information on the auction itself. So from there I go directly to a county auction website and then do my due diligence from there.

Then one other site that I like a lot that I just kind of go to because I'm a got off grid guy when there's a chance is Off-Grid.net. One of my other favorite little sites as always some good reading to do, what you can do with the property, [00:24:37] [indiscernible] and best use. Take a property and whether you put solar panels on it or we can go on that in another podcast, but I love that website. So take a pick at that website and you'll probably...

**Mark:** It's OffGrid.net off grid is one word.

**Jeran:** No, Off-Grid.net.

**Mark:** Oh, Off-Grid.net got it, okay. I've been on that site it's amazing what you can do now on raw land, how you can live off the grid. We're getting to the point where you can pretty much do anything, anywhere. Where, you know, there's no such thing as a bad prepuce of property if you can access it because you can be there it just takes somebody equipped with the right knowledge. All right, I've got two websites too that I'm going to recommend.

So TaxSaleLists.com is a great start to find out where the auctions are, I like that site but they upcharge for the actual tax sale lists so I go to Naco.org. N-A-C-O.org, Naco.org and that has a list of all the counties and the email addresses and all the contact information for every county in the country and you can quickly call the county treasurer directly or get to their website or email them and get the tax sale lists usually much cheaper or for free than you can at TaxSaleLists.com.

Then the other website I want to recommend is a website to monitor pricing on eBay. So when we go to an auction how do we know we are buying property 30 cents to the dollar? Well we've got to know what it's selling for first and the way I do that is with a program called Tera Peak, T-E-R-A P-E-

A-K.com and it'll you do a quick search and you can see okay 5 acres Taos, New Mexico it'll show me the past sales for the last 90 days. Then I could say this is the floor on this property and this property. If they are selling it for \$1000 on eBay I can probably get \$2000 or more marketing and other sites, I can get a lot more if I do direct marketing campaign but now I know okay \$1000 is the floor on eBay then I'm going to go and I'm not going to bid anyone than say \$300 at the auction. If the minimum bid starts at \$50 I know what I can go up to.

So I want to thank everybody for taking the time to listen to our first podcast. I'm sure as we continue to do this it's going a lot better, but I want to thank Jeran. You can learn more about Jeran at his website at ReserveLand.com. Jeran you've got anything else you want to plug before we hang up?

**Jeran:** No, I mean I just thank you all for listening. Mark and I have had a are really neat journey together and we look forward to chatting more about it with you guys over the next coming weeks.

**Mark:** All right. Thanks Jeran. So we'll do this next week then.

**Jeran:** Sounds good Mark. We'll see you soon.

**Mark:** All right and if everybody wants learn more about me go to my website TheLandGeek.com and you can always get some more information there and you can also check out my other website where we buy and sell land which is FrontierPropertiesUSA.com. This is Mark and Jeran saying get back to work, go out there and buy an asset pennies on the dollar and make your life extremely extraordinary.

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