



THE LAND GEEK

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

Today's Guest: [Mark Dolfini](#)

Transcript

Mark: Hey, it's Mark Podolsky the Land Geek with your favorite nichey real estate website www.TheLandGeek.com and I'm really excited for today's guest, because in a lot of ways he is like our doppelgänger especially in his philosophy of life. But I'd be remiss if we didn't really properly introduce my cohost: you know him, you love him, Six Sigma, the Professor, 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: Pulse is still normal, respiration is fine. I'm excited to talk to the landlord coach Mark Dolfini. If you don't know about Mark, he is the author of *The Time Wealthy Investor* and a veteran of US Marines. I was going to mess with them, Scott, but not anymore.

Scott: Yeah, don't mess with a marine man, don't mess with him.

Mark: Yeah. He owns several million dollars' worth of real estate, he's been actively managing over \$40 million in real estate since being in business for about 20 years and he's got this very interesting philosophy that I know Scott is going to make you very happy and that is, that true wealth is not

the simple accumulation of personal wealth. The pinnacle of wealth is time wealth, the ability to control your calendar and we're all about that Mark Dolfini, welcome.

Mark D: Well, it's good to be here. Thanks so much for having me.

Mark: So Mark, before you... because the landlord coach, let's just rewind the tape and walk us through your journey and how you started out.

Mark D: Oh sure. Well, I'm as you mentioned I'm a Marine, still a Marine just not on payroll anymore, but I spent four years flying around different countries and I was a navigator on C-130s and it was a great time for me. It was good for me, but I knew that I wanted to get out, pursue things more entrepreneurial and get an education and start down that path down into the business world.

So, I got accepted to Purdue, I got a degree in Accounting with a minor in Finance and when I arrived in Lafayette, Indiana about a year later I knew that I had an interest in real estate. I always thought that the concept of owning a real estate was always something that was very interesting to me. I started down that path and I started buying rental properties when I got in my first year in school and by the time I had finished up the four years at Purdue, I had about a dozen rental units which amounted to about half a million dollars' worth of real estate and that's when things really started to get interesting. That's really where I started making a lot of mistakes. So that's really where my education started.

Mark: Yeah. I mean, Mark, I hope this podcast isn't going to go sideways now because I am an I.U. grad.

Mark D: I have to tell you, I think, I'm literally the worst Purdue alumni ever. Having been in the Marine Corp for four years and then going to Purdue, honestly I didn't recognize why everybody was wearing gold and black at the commencement. So, I think, you're safe.

Mark: All right, that's good. So you started out really, really young and then, you started making mistakes. What were some of your favorite mistakes that you like to brag about?

Mark D: So yeah, it's funny when people come to me whether as a coaching client or even just needing a minutes' worth of advice they usually say, "Argh, I knew this was a mistake and I just I think did this." And I usually can put them at ease pretty quickly because that's a one-upmanship game

that I can usually win. I've made way worse mistakes that most people and really costly mistakes at times but probably the biggest thing.

First and foremost is, I was really doing a lot of the work and I was never get working into a place where I could get myself out of that position. Where I just get myself on the hamster wheel and I was doing all the showings, the listings of the advertising and marketing the properties. Like I said, doing all the showings, doing all the painting, the cleaning, the rent collections, the lease signings, filing for evictions. I mean on and on and on every aspect of the business I was doing it and you know when you have half a dozen units or a dozen units it's not that big of a deal especially if you're single. But as I was scaling up and got to 30, 40 and at the pinnacle I was at 92 rental units that was \$6 million worth of real estate I had coming in, \$65,000 a month in revenues, but it was all built on a house of cards and it was because I never treated what I was doing like a business.

Mark: Yeah. Scott Todd, what are your thoughts?

Scott: It is amazing that you know like, you just going to things what people realize about real estate investing is in fact like, to me is a lot different than being in any other type of investor. Because any other type of investor I can go, I can buy stocks in the company and that's it. It's done for me, it is managed and I think what people sometimes when they enter real estate investing what they don't think about, man. I'm not just an investor, I am creating my own business. Like real estate investing is a business that I don't think that a lot of people would kind of check that in.

Mark: Yeah! Absolutely, and Mark I would say I was very guilty of what you're describing I mean, but my niche was a lot simpler, but in the beginning I don't even think I was thinking entrepreneurial. I don't think I was thinking about systems, processes, automation or delegation with anything. I just thought, well this is fun. I'm buying land 25-30 cents on the dollar, flipping and I'm making a 300% return on my money. What could go wrong, right?

Mark D: Right, exactly.

Mark: So do you remember the critical breaking point for you that said okay I've got to really start treating this like a business?

Mark D: It's kind of hard to forget because I almost died. I mean literally, I almost died. I remember this very, very well there I was, I was making roughly like I said \$65,000 a month in revenue were coming in, I was working 17 to 20 hour days, seven days a week. I never put myself in a

position where I could, where someone else could ever do the work, where I could ever turn it over someone else and so 2008 came along, shook up the snow globe for many of us who were in the business at that time.

I mean 2008 just sped up what was inevitably going to happen with me because this house of cards I had built, it was all based on one signal point of failure which was me. Everything ran through me and that was just, it was unscalable, it was unsustainable and I finally what started out as a simple cold turned into double pneumonia because I was working as things got bad. You know things went from \$65,000 a month in revenues to \$30,000 month in revenues you know I couldn't withstand that storm. So I worked harder, I work more hours just trying to keep everything afloat and keeping all my fingers in the dikes so it wouldn't spill over, but it was unsustainable.

So at that point my three day vacation in the hospital, what I did I came down with double pneumonia and I almost died in the triage room and they finally got me pumped back up and back to life. But I knew that I could not continue in this madness that I had to do something different. What was I had going was not working and I needed to get something in place that was operating much more like a business and much more scalable.

Mark: Yeah. I mean, that will do it. So I can imagine that being a Marine and what that takes and the discipline and all of that, it had to be somewhat difficult for you to start letting go and building this team. Do you remember what that transition looked like for you and hiring just the first person and letting go of that first piece of the business?

Mark D: So, for those of you who are visual out there if you can think of like when the... in the Marvel fans perhaps you know it's like watching the Hulk turning back into David Banner that's what it was like for me. So it was this awkward, weird. Like I woke up with pants that didn't fit, you know it's just weird right. But kidding aside it was very, very difficult because I didn't, what I recognize is that my problem wasn't that I wasn't working hard enough, and that's a lot of problem with a lot of people especially entrepreneurs, especially veterans you know we have a good work ethic, and many entrepreneurs out there have a good work ethic.

But I made the fundamental mistake that just because I had a good work ethic did not mean that I should be doing all the work. So trying to translate that over into going from self-employed to business owner was a very awkward and difficult time for me because I didn't know what to turn over. You know me, hiring somebody and then throwing them in a room and yelling do work was not going to improve the world, you know my world and

the state of things. So it was really difficult just to start turning those things over.

So really, I started turning over to automation first and just some very, very small things, some small ideas which bought me back some bits of time. Just as a quick example, one of the things I did was I started automating my calls as they came in. I actually set up a call-tree for people who, if they had a question, if they wanted information on a particular property they could call into a toll-free number, hit that number. Number one or two or whatever it was based on the description and then they would hear a full two or three minute description of the property. You know what the rent was, what the security deposit was, what my pet policies were etc. and then if they were interested they could hit zero and they would dial directly to me.

At that point, I had a fully vetted and interested party online, I didn't have to go through that 15 or 20 minute conversation about the property that I had already listed in the ad, that I already said. I wouldn't have to repeat myself too many times. A lot of times those people just going yes I am ready to see this property. So I'm going to have to ask them question that you're saying okay, are you looking to move in right away? This property is not ready right away. If it's not ready, if it's April, I'm not going to hold it up until November. You know like just a couple questions like that, make sure all the decision-makers were going to be there and then set the appointment.

So that alone saved me, and again at that time I was at 90+ properties, 92 properties that alone saved me probably 2 to 3 hours per day just by putting that in place and I might have to do it like an hour every two weeks to update the call-tree. But something like that, that automation set me up for hours and hours of dividends every single week.

Mark: Yeah, I love it. Scott Todd, do you remember the first piece of outsourcing for you that was most difficult?

Scott: Well, what happened was, the first thing I outsourced was kind of list scrubbing, Mark. So essentially, I had sat there for 21 days and was scrubbing my own list to mail and I'm like man this is absolutely for the birds. Like, I'm never going to do this business because I can't stand this one thing. So that's where I'm like, okay I'm going to get somebody else to go do it.

I wasn't necessarily nervous because I had built teams at work and I had teams of people that worked for me. So it wasn't necessarily like, oh this is you know... What I didn't know, I didn't know what to expect with working

with a VA on the other side of the globe. So you know really what happened was, that they did a great job. I mean I created a training video, invested time to work with them on it. Next thing you know the work on it that was taking me let's say 10 hours a week to do they were getting it done in like three hours a week for \$3 an hour. So all of a sudden I realized like man, I'm sitting there and I'm making my chump change of my time when in fact I can get someone else to go do it. So there is a mindset shift that goes in there. Like okay, I was nervous about spending \$9 a week then all of a sudden you're like that's the greatest \$9 I have ever spent in my life.

Mark: Yeah. But I can imagine from Mark though like what you were bringing up as far as the Hulk it's not like this superhero syndrome, because when you're doing something so often and so successfully you can make the argument well, no one is going to be able to do this as well as me. And so, how was it handling frustration tolerance as you went from automation into like delegation and actually working with human beings?

Mark D: So one of the things that I had to, and to Scott's point that's an excellent example I'd love to tie into that a little bit. So what I did was, I had to recognize what my time was actually worth. Even though I was working 18 hour days including travel and everything else and then I was still doing a side hustle job here and there. Like I said, I have a background in accounting so I was working kind of like as a temp in different areas if the job paid well enough.

But, I mean I was doing everything I could to hustle and what was really part of the problem is that a lot of real estate investors get addicted to the hustle and you have to get out of that, otherwise you just never... I mean, it's always going to be this for you and man there's just more to, so much more to life than just the deal even though it's exciting in the beginning. Man, I did not get into this job because I had so much abundance of free time that I never wanted to see my friends, I never wanted to spend time with my family or even do the things that excite me. You know I was just doing it all for the wrong reasons.

So one of the things that I wanted to that mental shift for me was realizing that when I was doing a job that I could pay someone else to do cheaper, that's what I was paying myself. So if my job, if my time amortized over the course of a year if I made 100 grand amortize that out and if I was worth \$50 an hour based on the number of hours that I was working for me to do a \$10 or \$12 an hour job or even a \$3 an hour job, for me to do that I was costing myself \$40 to \$47 an hour to do that work. That's what it was costing me.

So once I shifted my mindset to what it was costing me then, I realized I really needed to start handing some of the stuff over especially the stuff that was of little consequence if it wasn't done right, like the painting and the cleaning and stuff like that. I mean yes that's absolutely important, that's delivery of the product but that's the sort of stuff that you bake in the cake and say, okay well I can set aside 20 minutes to go check on the work, make sure it's done versus spending eight hours to do it. It was going to take me probably twice as long being a professional painter and even if their billing rate was \$20-\$25 an hour, it's still less than what my billing rate was worth at the time. So that paradigm really helped me shift my mindset to getting the lower end tasks handed over to someone else.

Mark: Yeah. I mean, Scott, you can see why I'd refer Mark as our doppelgänger.

Scott: Right, with you.

Mark: Yeah. So you know, Mark, we're always saying we can always make more money, but we can't get more time. So Scott, I will literally do like anything. Like, we'll buy any app or software or tool that will literally buy us more time like anything and sometimes it works and sometimes it doesn't, but when you that sort of lens and that total clarity: A what's my time worth and then B, what am I doing the world becomes very different and the way you look at things becomes very different. So we're 90% automated now between software systems and virtual assistants. Where are you at as far as your automation and involvement in the business?

Mark D: In my management business I spend about two hours a week personally and it's about 250 units altogether. So I can't say it's been an abundance of time. I mean, I spend more if I'm needed, but I need to let my people do what they do. We have a virtual assistant who answers phone overnight as some backup calls.

A lot of that stuff is really because I took a lot of time to get very serious about the VIP paradigm, how I set up my business and what I coach others. So it really takes a very deliberate action to really set that up as a business, so you're not distracted by oh hey I want to go do that even though my infrastructure doesn't support me doing a lot of lips or I want to do that for rehab when my infrastructure doesn't support doing a full rehabs. So that's why in the VIP paradigm I am alluding to is called, Vision Infrastructure Process and that's the road that I bring people down when I'm helping them set up their business and setting up as a business.

Mark: All right. So let's pick on Scott. He calls you and he says, "Mark, I'm going to buy this small four person duplex." How would you coach him and he's like I want to do it all myself too? I'm going to buy it and I'm going to fix it up and I'm going to rent it.

Mark D: Okay, so generally to answer that question probably, maybe I just explain the VIP paradigm just a little bit. So that if Scott and I were working together for example, one of the things, the first thing we're going to talk about is his vision. The V of the VIP paradigm and that vision is so incredibly important because it really is the target that you're aiming at and if you are aiming at nothing I promise you you're going to hit nothing, the arrow can go anywhere. But with a vision that is absolutely so clear that it's almost obvious.

I use this example in terms of vision. You know, when your vision is clear it is absolutely obvious. So what is probably the most dangerous place to be in the world? I would argue it's probably between a mother and her child and that's because a mother has an abundantly clear vision. Especially, good moms, they have a good absolutely clear vision for their child growing up healthy and happy and being in a good place. That mother is going to protect that child and that's where the term mama bear comes from, that's where you're not going to get between a mother and her cub just like a mother and her child because their vision is absolutely clear on raising that child.

Now, I'm not saying that there is not bad moms out there that get distracted on their own thing, but moms pick up cars and fight off attackers much larger than them because they have an absolutely clear vision of the future for their offspring. So in that particular case I mean raising that child so visceral that's what you're vision needs to be. That it just needs to be absolutely.

Now most people's vision, that's where most of us fall apart because they easily get distracted by oh I'm a buy-and-hold guy but I'm going to go do a flip once in a while or maybe I'm going to go buy a note. I mean it's okay to educate yourself but the problems is it's very easy in this realm to get very distracted, but if you have an absolutely clear vision for your future it becomes less and less of a distraction. When other opportunities come up, you can say hey is this in alignment with my vision and sometimes you need a coach to do that. I'm not saying me, I'm just saying a coach to do that. To say, "Hey, I need someone to hold me accountable, to make sure I'm not wandering off the path because again", it's very easy. Even I have coaches and I have different coaches for different areas of my business that I need to make sure that that stays clear. So a vision is really it is absolutely that

important and the reason is so important it's because the next piece is infrastructure.

So infrastructure is the bones of your business. It's the website, it's the software, the computer systems you know laptops, software, desk, chairs, even if it have an office, that's all infrastructure okay. So the reason we go to infrastructure next, is because if your vision for example is to say you want to spend six weeks vacationing with your family somewhere on a beach, well if your infrastructure is set up to where you need to be returning emails and phone calls in a timely manner that's not going to work out for you, well if your vision is to sit on the beach with your family for six weeks. So that all has to be in alignment and then finally there's a process.

So up to this point if you think of the vision as the map if you will and infrastructure is the train tracks. That's the bedrock, that's the train tracks of your business, the process would be the train; that's the train that runs on the tracks. So the process is the system, it's the rules upon which you will operate, it's just basically the rules of engagement, it's your FAQ, it's your SOP. It's all the things that you do that runs on that infrastructure and all of that stays in alignment with your vision for the future.

Mark: All right, I love it. Scott Todd?

Scott: I mean, how can you argue with any system? Like that's the thing. It's that there's a system in place for it, it's a methodical method, make sense to me.

Mark: Yeah, I know and I love that he starts with a vision as well. Because I think so often we get so caught up in the latest tactic and you really need to rewind more and do some more serious soul-searching. Like, what do you really want and then, it's much more easy to try different tactics. But if your vision, or your purpose, or your why isn't totally clear, well, it's really easy to get just distracted on you know the whatever...

Mark D: The minutiae. Yeah, the nonsense that will fill your day. Especially, people will come and they'll complain about the residents, they're doing this and that and a lot of times what I will say to them is all right look, think your business as a vessel. So if you're thinking of your business as a vessel think of it as a canoe and if your vision is to get downstream a canoe is a good vessel for that. If, however, your vision is to get the top of a mountain I suppose you could drag a canoe to the top of the mountain but it's not going to be very effective, very efficient, and certainly not very enjoyable.

So, if I've done my job well, I've set up a business of that's got the three Es' involved it's efficient, effective and enjoyable. So, if you're looking at your business not an in and of itself where people go I want 100 units. Then, I'm like, why would you want to deal with all of that? Like, what's your vision for that because I'm not saying that's wrong, but why do you need a business that's going to produce that amount of management? What is it about 100 and why not 99, why not 101? Why 100 and it's usually some nonsensical, well, it's a good round number right but it's really, it's really because they don't have a really clear vision for what they want and that's why it's so easy to get distracted.

Scott: I mean, that is in fact one of the hardest things to do is to give yourself a vision and know exactly what you want because sometimes like what I noticed about people is that, sometimes what happens is that they'll say like I want to be on the beach. Like, I just want to be able to quit my job and just relax. Okay great well let's put a number to that. And then, they go very conservative because they don't want to seem like nutty and then, at the same time in their minds they can't even fathom that they can achieve the number that they want. So they put this number out there okay, \$10,000. Why \$10,000? Oh that's what I need to pay my bills. Okay, \$10,000 a month you pay your bills that way, cool, no problem, now you're happy but then it is like why not 50? Well, is 50 even possible? Well, isn't any number possible? But you have to believe deep down inside that you can achieve that number and I think that sometimes people just don't want to give themselves permission to even dream.

Mark D: Yeah absolutely, and a lot of times the vision... I mean, I have to. This whole thing is a battlefield of the mind and it is really about changing mindset. You know for example, what you talked about is when you say you put together what you want and you said they want to quit their job. Okay, so that the list of something that they don't want: they don't want the job, they don't want to have to answer to somebody. Like this, put this list together of all the things that they don't want and that's a good first step, but you can't stop there because the problem is having a list like that it is like going to the supermarket with a list of all the things that you don't want to buy. So if you go to the supermarket with a list of bread, milk and eggs, guess what you're going to see? You're going to see bread, milk and eggs for days and that's a problem.

So you can't have a list of all the things that you don't want. It's a good place to start, don't get me wrong, but you really need to be able and it's really hard to self-prescribe this. Again, like I said, this is why I have coaches to help me make sure I don't get too far off away from my own vision and if that coach doesn't hold me accountable, I get another coach

because I need them to hold me accountable to that if I start wandering off too far but that's where somebody who can really get into the think of it with you and say wait a minute, hold on a second. You know, Scott, why are you wandering down that path? That's away from your vision you know. Are you not serious about this vision anymore? Because if you're not then that's fine but we need to sit down and do some vision work but we need to sit down and really talk about what this vision thing is, and I know this may sound really hokey to some people out there.

Especially, some younger people because I'll tell you what the 24-year-old version of me would not of heard any of this, but I'm telling you that right now especially if you're younger, you think time is abundant until you start having some loss in your life and that's when people you know that especially someone as close to you. You realize that we only get so many spins on this rock and you're not put here to toil and be at the servitude of others, but rather serve you higher purpose and whatever that purpose is up to you to define and most of the real estate investors I talk they've got some amazing, amazing visions for the future like digging wells in Kenya and maybe it's not even about that it's just giving back to their communities and whatever it is. Maybe they want to drive a Lamborghini because it's a cool car but you know once you get past all that stuff then you realize like, man, I can really make a big impact in this world and make it truly a much better place.

Mark: Yeah absolutely, and speaking of accountability today's podcast is sponsored by Flight School. To learn more about how Scott Todd is going to make you accountable in real time with your class, he's going to make you mail, he is going to make you market, he's going to watch you and force you to execute in 14 weeks. Go to TheLandGeek.com/Training, schedule a call with the 'Zen Master' Mike Zaino or 'Nite Cap Meister' Scott Bossman and learn more about Flight School. So Mark, I think your mentorship has been phenomenal on this podcast and we're going to ask you for one more tip of the week: a website, a resource, a book something actionable where the Art of Passive Income listeners can go right now improve their businesses, improve their lives. What have you got?

Mark D: Well, probably the biggest thing I can say is, put a value on your time and I know that sounds really vague right now but really go through the exercise. If you're working a job I want you to take from the moment you wake up you know and start to devote your time to that job and that includes travel so if you're traveling. Now, we all need to get up and shower, we all appreciate that but I mean, take the time out of that your travel time and all that stuff.

If you're co-working a job, amortize that and find out what your true worth is per hour and if you've got some rentals on the side or if you're doing real estate full time find out what you made per hour in a year and divide that out for the rough number of hours but come up with a number and really start to get very intentional about the things that you are doing, that are the highest and best use of your time. If you're dealmaker that's great, stick with deal making and stop doing all the other stuff that you know if you're spending 4, 5 or 6 hours a day on email you know is that really generating wealth for you and is it generating time wealth for you where you have the ability to control your calendar? So really, challenge the people out there to make sure that you're valuing your time and you're learning about your time to make it the highest and best use of your activity.

Mark: I love it. Scott Todd, what's your tip of the week?

Scott: Mark, have you ever seen a... you've seen a movie I know and you look at the movie and you're like, man, the video quality of that movie is beautiful. Like there's a big difference between the video quality of the movie and what I can throw off on my iPhone right, like there's a difference.

Mark: Sure.

Scott: But I've got to tell you about this app I just downloaded today it's at Nizo.co and I'm going to put it in the chat for you too. Nizo.co and the cool thing about this app is that basically what it does is it brings out the cinematic effects that you would normally see in a movie delivers it right into my iPhone so I can create like good looking video it's going to look like a movie, it's beautiful.

Mark: Oh I'm getting this right now.

Scott: 4.99 and I love it.

Mark: 4.99 wow. It's got a lot of good reviews too.

Scott: Yeah, it's really good.

Mark: This app is only available in App Store all right so I've got to buy it. Nizo, I love it.

Mark: Nizo.co.

Scott: Just even go to that website and they've got some just beautiful like videos, like little mini movies or whatever. I mean, really good stuff.

Mark: All right, I'm getting it right now. My tip of the week is, learn more about Mark Dolfini and just another really, really I think important mentor for all of us to put that lens on in our lives that life is short and here's somebody that isn't all about get yourself the million dollar home and the beach house in Maui but really dig deep, find out what's really important to you and then create. Once you have that vision then you create the steps and processes to go ahead and execute on it. Learn more go to LandlordCoach.com, we'll have a link to it. LandlordCoach.com, and if you want to get the free book that he is offering us, go to LandlordCoach.com/LandGeek and we'll have a link to that as well. Mark Dolfini, are we good?

Mark D: We are awesome. You guys, it sounds like we are brothers from another mother, it's amazing. I really enjoy hearing that there's other people that follow the same paradigm.

Mark: Yeah, absolutely. Scott Todd, how many hours did you work in your land business this month?

Scott: I work on average about two hours a week in my land business.

Mark: Okay.

Mark D: That's awesome.

Mark: I think I'm less.

Scott: You might be less.

Mark: I am a little less. I mean, but it becomes a point in time like I would say to my wife I'm like, "Well, why am I going to circle around the mall now look for a parking spot? I'm like, life is short let's just use valet. Look, anything I can do to save time, it's getting insane but it's true.

Anyways, I want to thank all the listeners. The only way, the only way we're going to get the quality of guests like Mark Dolfini is if you do us three little favors, you've got to subscribe, you've got to rate and you've got to review the podcast. Send us a screenshot of that review to support@TheLandGeek.com; we're going to send you for free the \$97 *Passive Income Launch Kit*. And Scott, are you ready?

Scott: We are, Mark. Ready one, two, three.

Mark & Scott: Let freedom ring.

Mark: All right. Mark is like, boy they are geeky.

Mark D: I love it.

Mark: All right. Well thanks, Mark, and we'll see everybody next time.

[End of Transcript]