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

Today's Guest: Brett Swarts

Transcript

Mark: Hey, it's Mark Podolsky the Land Geek with your favorite nichey real estate website www.TheLandGeek.com and this guest on today's podcast is really interesting to us for a variety of reasons, but mainly because we've never really talked to a guest that that specializes in what our guest specializing in.

But I'd be remiss if I didn't properly introduce my cohost you know him, you love him Scott Todd from ScottTodd.net, LandModo.com. If you're not automating your Craigslist and your Facebook postings for marketing check out PostingsDomination.com/TheLandGeek. If you want to start learning the different types of strategies I can even go into all of them check out InvestorNinjas.com. Scott Todd, how are you?

Scott: Mark, I'm great. How are you?

Mark: I'm great. Just a quick plug today's podcast is sponsored by Flight School Live: start mailing, start marketing and closing deals in three days Scott Todd and Tate Litchfield himself in real time. It is the fastest, most effective way to start building your passive income learn more about TheLandGeek.com/Training.

Today’s guest is Brett Swarts. If you don’t know about Brett he is the CEO of Capital Gains Tax Solutions and every… he quips hundreds of business professionals with the deferred sales trust tool to help his high net worth clients solve capital gains tax deferral limitations. We have a lot to unpack here. His experience includes numerous deferred sales trusts, Delaware’s statutory trusts, 1031 exchanges and $85 million in closed commercial real estate brokerage transactions. Brett Swarts, how are you?

Brett: Mark, I'm better than I deserve. I'm really happy to be on with you and Scott here and I love the energy.

Mark: Fantastic. Well, let's just skip the pleasantries Brett; let's just get right into it. What the heck is the deferred sales trust and why should we even be discussing this?

Brett: Great question, Mark. Deferred sales trust is just a manufactured installment sale. You and Scott and probably your listeners know a seller carry back or installment sale IRC 453 is the section of the tax code. But what we do is we insert this trust right before close of escrow which gives so many more benefits than traditional installment sale and solve so many more challenges that people are faced when they're looking at 1031 exchange.

So what we like to say is that most commercial real estate owners, business owners, and high-end primary homeowners they struggle with capital gains tax somewhere between 30 and 50% of their gain and it's brutal. They feel trapped a lot of them and like a lot of them are getting older too and they maybe want to diversify and choose something that's an alternative to real estate or different times. So we use this Deferred Sales Trust to give them tax deferral, liquidity, diversification. The biggest thing that I would stress to your listeners or anything is the ability to buy optimal timing into commercial real estate so that they can create and preserve more wealth and if it’s a business professional so they can have massive amounts of value to their syndication partners and/or their clients as a financial advisor or business professional.

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

Scott: All right, so how do you do it? Like go right into it like what's the trust, what's the secret sauce?

Brett: Yep. So the first concept you have to understand is constructive receipt, okay, Scott and Mark. So let's just do a scenario I'm buy a deal from Scott for $10 million and Scott, lets imagine you owned it free and clear, let's also imagine you have zero basis and you had somewhere around 40%. Let's just say you're in California it's a depreciation recapture so $4 million gains. We always asked what is your actual liability? I'm sorry it's a $10 million gain, $4 million liability. So I come to you Scott and say, "Scott, I want to buy your deal." Okay and in a traditional installment sale I may give you $3 million down payment and you make a note for $7 million. In that scenario, Scott, how much actual receipt did you receive?

Scott: Three million.

Brett: Three million, yeah. So you’re going to pay tax on that payment. That's what triggers the tax being due in that given year is when you receipt principal balance. Now the other $7 million is in the deferral state you carry back a note, you became the bank therefore it's not due. Now, let's do another scenario let’s say Scott, I came to you and said, "Scott, I want to give you a zero down payment. Would you carry a note for $10 million?" Now in that scenario Scott, how much actual receipt did you receive?

Scott: Zero.

Brett: So if you received zero today. Scott, how much do you owe today?

Scott: Four million.

Brett: Well, you don't owe it today it's in the deferral stage, right?

Scott: Right.

Brett: But it's owed at a certain whenever you receive back any of that principal of that 10 million. So that is in the essence of an installment sale or seller carryback. So what we're going to do here is we're going to insert this trust instead and we're going to say you know what Brett I don't want to do a seller carryback.

In fact, I want you to cash me. Go get a loan from a bank or whatever brings the full 10 million to escrow. But instead what we're going to do is the trust is going to jump in and it's going to buy your position and it's going to say, Mr. Trust is going to say, Scott I'm going to give you a full note for 10 million. Would you carry back all 10 million? And you're going to say yes we're going to immediately turnaround and sell it to that buyer who is lined up and his 10 million is going to go into the trust and this is the key here. Since Scott you received a zero down payment and you carry a note for 10 you're in a deferral state since the trust bought it for 10 million and sold it for 10 million. How much does it owe?

Scott: Zero.

Brett: Zero. It bought it and sold it for the same price. The smoke clears buyer takes the title the same way he would have he bought it directly from you, it makes no difference to the buyer but it makes all the difference to you because you're in a complete tax deferral state and you're no longer underneath 1031 exchange. So you're not tied to timing guidelines, you're tied to 45 days, 180 we can talk about that but I'm going to pause about what I just talked about because that's the purpose of this whole thing how that just works. Did that make sense?

Scott: Okay and I'm following you. However, I own the trust, right?

Brett: No.

Scott: Who owns the Trust?

Brett: The trustee, that's my role. So as the trustee I'm the owner of the trust and I'm the trustee. You're not even the beneficially you're just the creditor this is how we maintain nonconstructive receipt.

Scott: Okay so then, you're sitting on my $10 million because you got 10 million because the guy went to the bank and got the 10 million, right?

Brett: So the question you want to ask is how do I know my funds are protected and what is my collateral to actually ensure that I get paid back?

Scott: Where is the 10 million? I feel like it's a shell. Like which shell is the 10 million under?

Brett: The $10 million is sent to Bank of New York Mellon, Charles Schwab, TD Ameritrade. You can invest in stocks, bonds, mutual funds but the actual owner of the trust is you make up a name called Scotts Deferred Sales Trust. It's a single entity business trust that only does business with you, the funds are never comingled but the actual owner of trust is me the trustee. This is how we maintain nonconstructive receipt which is the crux of all of this, okay. I have to be in it for business purpose, I must be able to make a profit but that's the legality of this.

We've done thousands of these, survived multiple IRS audits, but the key for you is what is your collateral to actually receive back your payments? What is that tied to? So in the first scenario it’s tied to me as a buyer and I may or may not in a traditional seller pay back take care of your property, you may need to foreclose, you're not diversified nor you liquid. You're tied to this one person and then you can maybe foreclose.

In this scenario your funds are investment grade securities, stocks, bonds, mutual funds. The best part is you can put it back into your own commercial real estate deal up to 80% the next day but it's not tied to one single individual. As a trustee I can never move the funds, I have no power to send it to Mexico and be gone. You have to sign off for everything. You have all the rights that like a lender would and any scenario that they would lend on asset you have the rights to make sure the funds don't move.

Scott: Okay. So I take my funds, I can pull the funds back out of my Charles Schwab account, the one that we just set up. I can pull that back and I can redeploy it into commercial real estate that I'm going to buy, 80% of it.

Mark: Does it have to be a like-kind exchange?

Brett: Not a like-kind of exchange, Mark because we are not in it 1031 exchange, we're in IRC 453 which are two distinct tax codes. Both are tax deferral but both have different rules. So back to Scott's question so we've got to define terms I can pull that back. So Scott or Mark, have you guys dealt with Seth IRAs, what you might be familiar with is a custodian and that custodian says Scott/Mark I'm, going to be this third-party custodian over here and you can, you know, the funds can be invested in different vehicles but as long as don't cash out of that then the taxes are still in some kind deferral or tax advantage state. Same concept here okay.

So Scott, we're not going to send you the cash or the tax instead we're going to have you setup the brand new LLC, make you the managing member of it and hey by the way you're looking for partners. You made this partner with your trust and your trust may put up a 100% of the funds and therefore you're going to buy investment property then it's all in a deferral states. You're not actually cashing out you're just setting up a brand new LLC and the funds are being sent to that new LLCs bank account and you're buying an investment property.

Mark: So this is a way to compound our gains very similar to a 1031 without paying the tax, is that correct?

Brett: We'll make sure Scott's question is answered and then we can talk about differences between the 1031 and this and why you would do one or the other. Scott,,, does that make sense on not actually taking constructive receipt but rather having them deferred into the trust?

Scott: Yes. Okay so let me just close the loop here. So now, I'm the custodian I say hey I'm going to go buy this new commercial real estate whatever it is I want to go buy this new thing. I'm going to take that, partner with the trust; trust is going to do all of the investment. Can they be a 50-50 owner and I'm the other 50% owner?

Brett: It's even better, Scott. It's actually 98% to 2%. So we set it up where we're going to give you as much ownership as possible and little to no money in for yourself personally. Although this is all of your money, it's technically all of your money in this trust, right?

Scott: Right.

Brett: Okay. We can say it's your money the question is how you do want to receive it? Well you're going to say I don't want to pay tax on it, I want to keep it in deferral state, I'm going to have a balloon payment in 10 years, I'm going to have an interest that is earning off of it but in the meantime I want to be able to go buy a property and partner with my trust. No problem, no problem so you literally set up a brand new LLC.

So you're not the custodian here, Scott you're just a managing manager of a brand new LLC and you're looking for partners and again you may partner with Brett, with Mark, with Joe, with anyone else but you might just say I don't want all that I just want to partner with my deferred sales trust. So that 10 million that's there up to $8 million is available tomorrow, day 181, five years from now to be put into that brand new LLC, to go buy a piece of property which you own and manage the same way you would on any of your other deals except you have JV partner here okay. So I'm going to pause there. Does that make sense?

Scott: I got you, okay. All right, Mark, you can take control of your podcast.

Mark: Wow. I like that you're taking control of the podcast because this is not our typical podcast. I'd say that this is a way more complex tax strategy than we typically have on the podcast. So I think it's important then to take some of the complexity out of it and get to the practical piece of it which is whom is this for, whom is this not for?

Brett: Yeah, it's a great question, Mark. So let's give a little bit of the demographics that are going on. Let's start with the bare context and let's start with the macro and dive into the micro. So according to American Bankers Association about $17 trillion will pass from one generation to the next in the next 20 years. This is known as the largest wealth transfer in the history of the planet and this generation is known as the baby boomers and there is about 77 million in the US alone and every single day about 10,000 baby boomers turn 65.

What are they faced with? Well they are faced with what we call the perfect storm. The perfect storm is rising taxes, low interest rates, highly, highly appreciated property okay and the desire to retire from the toilet's trash liability from having employees, from downsizing their high end primary home and they feel trapped. They don't want to necessarily start over with new toilets, new trash, and new liability. They also want liquidity, they also want the ability to pay off debt and be debt free. They don’t want go through the 08 crisis at all or anywhere close to that again and they want the ability to assess the cash if and when they want to. Pay the tax when they do and live off that and enjoy.

I mean they've made their wealth, for 20 to 30 to 40 to 50 years they're worked really hard; they don't necessarily need any more wealth. They just need to figure out a way how do I transfer it to my kids in this 20 to 30 to 40 years that I have left and not get completely wiped out by 30 to 50% of the gain. So traditionally they looked at the 1031 exchange. By the way the 1031 gas becomes more restrictive and someone in Congress thinks that they shouldn't even be there and they you know we feel really good at state end. But who is to say that a new administration doesn't come in and take it away.

That being said the 1031 is great, I still do 1031s but a 1031 has its shortcomings and the biggest one is the fact that you have to sell high. Typically you're selling at a good price and typically buying higher at 180 days later. We call this the candle burning at both ends and the candle represents your returns, Mark and Scott and the smaller your candle gets the smaller your return.

What's burning on one side? Well, the first side that's burning is the CAP rates are getting lower okay and also inventory is getting lower. When I say inventory, I mean, value add forced appreciation opportunities they are harder and harder to find okay. So that candle is burning. The other side that's typically burning although interest rates have gone a little bit lower recently is interest rates generally speaking of going higher okay. So as it burns your returns get smaller and smaller. So what ends up happening is clients end up overpaying for properties that otherwise they wouldn't have purchased if it wasn't for the capital gains tax. So the first thing is don't sell high and buy higher. Once you use the deferred sales trust to pack the fund in conservative bonds, conservative allocations and wait for a deal to make sense.

In the meantime, get out of debt too because in the 1031 the second challenge is you have to basically replace the debt. So if you're selling a $10 million deal and there's $5 million in debt you basically have to buy equal or greater value which means you probably going to have to keep all of that debt plus maybe even buy a bigger property. So what happens is in the '05-'06 run-up people overpaid and often times took on more debt and got themselves in the top position.

So the goal here is to completely out of debt what we call the Dave Ramsey Debt Free Plan. Get them out of debt and have the ability to sit on the sidelines and then oh by the way go and invest with Scott and Mark. Go have a great value add deal in a location that they're out of California let’s say and you guys are out of... any syndicator for that reason is in a different geographical location, has a different specialty. They can direct up to 80% into multiple deals. So you get diversification, you get out of debt.

The next one is the new depreciation schedule okay. So in a 1031 exchange you’re having to trade your depreciation schedules onto the next deal and the next deal that’s not so good because depreciation is one of the number one reasons to own real estate it's going to offset the income. So what we're going to do with the deferred sales trust when we set up this new LLC and we buy a new deal we're going to get a brand new depreciation schedule, that is very powerful of which you could do accelerated depreciation or just live off the income there too. So the baby boomers have owned for 27½ years multifamily or 39 years for commercial this is a very, very powerful part of the strategy. So I'm going to pause there because I know I just said a lot and make sure you guys absorb that or ask any questions you have.

Mark: I've got it and I completely agree with you about the 1031 exchange. We used to nick name it dumb money because they had to overpay.

Brett: So it actually started from California. You see in California a 1031 buyer you're like oh yeah this is perfect, come buy my property.

Mark: So essentially, this is really ideal for this high net worth individual that is looking for a legal, sophisticated strategy to defer capital gains tax.

Brett: Yes, and just so your listeners know how do we know it's legal? If anyone comes to you with a new tax strategy like Brett or Scott or Mark or anyone else you're going to ask them a number of questions. How do you know it's legal? First of all it's IRC 453. This goes back to a 90-year-old tax law; this is longer than the 1031 exchange. It has been around most people just don’t use this seller carry back because it's typically a short term and it's not diversified, it's not liquid and it's not necessarily you're going to probably pay a tax anyways.

The second thing is how long have you been doing this strategy because collectively as a group with a law firm who started this and the estate planning team over 23 year track record thousands of transactions. Close to 3000 transactions now okay.

The next question you're going to ask is how many IRS audits have you survived and the answer is 14. Not one single issue with the structure. In fact they did a formal audit of one of the audits on the tax attorney and the other founder who is my business partner and basically they said, "You're just doing an installment sale. You guys are being creative in what you're doing."

So I would push back on you, Mark to say yeah it might be sort of complex in the sense that you never heard of it before and we're being creative in how we're doing it but really it's just an installment sale and we're just adding this trust to perfect this installment sale, but it gives you so much more flexibility than just the 1031. And know, by the way, the 2013 doesn't work for businesses. I'm yet to find someone who has done a 1031 worth of business.

The second this is it doesn't work for high-end primary homes. We did a $26 million deal in Newport Beach it was a $6 million capital gains tax above and beyond the 121 exclusion right. So you live a property, primary home, you get 250,000 for the first part of the gains, 500,000 if you're married, 250' if you're single but above that you have capital gains tax that does not qualify for 1031 as the primary home this works for that. So we helped the couple defer $6 million okay very powerful and again they can put it into passive investments or even active investments if they want to do it themselves by partnering with the trust. So I'll pause there again because maybe I created more questions.

Scott: You got Mark at Newport Beach, you hooked him. That's the keyword from Mark.

Mark: I love Newport Beach, Brett in fact...

Brett: Oh really! Let me tell I don't even know where you guys are located I'm so sorry. Where are you guys calling from?

Scott: Florida.

Mark: And Arizona.

Brett: I'm going to be in Tampa. I'm going to be in Tampa in a month for a big deal. If you guys are around there maybe we can get together but keep going we digress.

Mark: So whom is this not for?

Brett: Yes, who is it not for? If I put it in my shoes so I'm 36, I invest in senior housing deals, multifamily, retail mixed-use, value add opportunities. If you could find a value add for an appreciation deal that makes sense right now buy it, do it 1031. By the way we're a backup plan for a failed 1031. So at the least have us as an option, as a backup plan we don't charge you for any of that but go for your 1031. We don't take up any of the spots but go for your 1031 at day 46, day 81 we can say that. But if you can find a value add deal buy it. That's wonderful, we'd love that okay.

Who is it not for? Everyone else if you're selling a business, you're selling a primary home we think it’s a no brainer. If you're completely charitable do a charitable [00:22:55] [indiscernible] trust. If you want to give a 100% away, no problem. The deferred sales trust can also go to charity too. You can give 20%, 50% or 100% after it's fine. So this gives you more flexibility there but if you want to do 100% charitable do that.

You've got to get over the who is this Brett guy. You know who is this trustee? Who are the people that manage the money? Which we would just say you can use your own financial advisor which you can or you can use we have thousands of financial advisors across the US you can use those I'm one of them. Yeah, I mean that's really it.

I mean maybe the tax is too small, Mark. Let's say you're selling a deal for$10 million and the tax is only 100,000 in liability we're going to say Mark just pay the tax, take your 9.9 and walk away and wait until you find a deal. So the liability has to be big enough. So what are the ratios? For every $100,000 of actual liability that's the check you're going to write to State Federal and Obama Care and Depreciation Recapture. For every 100,000 we want about $500,000 in proceeds. So that's kind of the ratio. Our average deal is about 2.6 million and we're deferring something between 350,000 and $500,000 in liability okay.

Mark: Got it.

Brett: So that's it. My biggest thing is I don't want people to overpay. So, my story is one from Markus & Millichap where I saw people get hurt. I started '06, I was still really young. I'm in college, I graduated in '07 and I was at Markus & Millichap everything got to crash in '08 and I watched people just get really hammered because they had too much debt and they had overpaid and they felt pressured and trapped.

So we wanted to just give people the tools and power. They look at the tool and say you decide what you want. By the way you can do a third, third, third. You can do a partial 1031 exchange, partial deferred sales trust, partial charitable right. It doesn't have to be all or the other. So is a mix. It's a mix between what you want. So hopefully, that answers your question Mark.

Mark: You know it really does. I think this is a fascinating topic for our high net worth listeners that probably never heard of this and now it's another strategy that they can vet and utilize. So I don't think for the majority of our listeners this is something that is going to be something where they can just go out today and start setting this up, but I do think for our are higher net worth individuals, the more sophisticated individuals that are doing multifamily, they're doing larger deals this is really a phenomenal strategy that I think is worth exploring and they should certainly learn more. Scott Todd, what's your takeaway?

Scott: You know I agree, Mark. I think it's a good summary right there.

Brett: And let me talk to the syndicators. I imagine some of your listeners are guys that are buying properties themselves and are wanting to put syndications together and correct me if I'm wrong and add value to those partners and buy more deals. Is that correct?

Scott: Yeah.

Brett: Okay. So let's talk about from a commercial real estate syndicator perspective okay. So how do you attract high net worth right now? What are you doing to separate yourself from ever other syndicator out there? What are you doing to make it more flexible for people who maybe have a high-end primary home, commercial real estate or a business that they're selling that you can say I've got a nice tax deferral strategy? You can talk to Brett I'll work with you, get your CPAs, Tax attorney to say yes. I'm not a professional in that get their blessing before moving forward. All of those things but how are you attracting high net worth?

So these folks by the way who is the perfect buyer for you? Who is the ideal buyer for your audience? Your ideal buyer is the mom and pop whose owned the property for 40 years, has been very generous with their rents, has low rents, no value add and you go to them and you say look I want to buy your property and they say great so does every other broker out there and every other person. But we don't want a 1031 exchange and so good bye. So they hear the same thing over and over again but when you come to them and say hey look Mr. Seller there's another strategy called a deferred sales trust and it actually solves a lot of things that you fear about. You can get out of debt, you can be liquid, you can be diversified, you can go back to real estate if you want to and by the way too you can also move the funds outside the taxable estate.

If someone has $22 million and greater and they're married anything inside the taxable estates has a 40% death tax. The deferred sales trust we can move assets all in one transaction outside the taxable estate. But the point is when you're listeners are calling these folks they have a problem and they're looking for it to be solved somehow, some way and they haven't sold their property yet until somebody is going to solve their problem. When you can come to them and say I can solve your problem with a tax deferral strategy that's not a 1031 exchange that you don't have to start over new toilets, new trash, new liability they're more likely to sell it to you.

So I'll give you an example we just closed a deal about five weeks ago and in Sacramental this is for an 18 unit apartment complex. This gentleman is turning 70 years old and he's driving up from Marin, California to South Sacramento. South Sacramento is one of the toughest locations in all of Sacramento okay. He’s is knocking on doors 18 units to collect rents, he's fighting evictions, it's a C- property, he had done multiple 1031s into the property. He didn't want to sell.

He learned about the deferred sales trust. He said this was perfect for me and I said what really made you want to do it? What changed your mind? He says Brett I didn't want to trade 18 problems for 36 problems. I didn't want to be in debt anymore. He goes, "I have so much more energy and time, I don't have to think about or drive up to Sacramento, to fight traffic, try to collect rents. I was ready to retire a long time ago. This has been so great right." So that's what we give.

We give them freedom from having to manage the toilets, the trash, and the liability. We give them options to diversify their income streams and if they want to cash out a portion of it along the way they have the ability to get liquidity within four days we call it Trade+3 as long as they're in our securities they can cash out all or a portion of it and they're going to pay a tax on that when they do.

But in the mean time they're going to live off the interests and by the way our notes are usually for 10 years, they're usually earning 8 after fees, they're netting about 6½% to the client. At the end of 10 years they can renew it for 10 and they keep renewing for 10 and they just keep doing that and then their kids become part of their estate. Their kid, when they pass the trust itself, is inside of their living trusts and their kids can inherit their position as well. So I'll pause there again because I know I just said a lot.

Mark: No, Brett its fantastic and I think that due to the complexity of it all the options with it, all of the different strategies, it's not a one size fits all type of solution. Somebody really needs to meet with you or speak with you in-depth about what their tax liability is going to be, what their strategies are going to be and really learn more. Which brings us to our tip of the week: a website, a resource, a books something else actionable for the Art of Passive Income listeners to go and improve their businesses, improve their lives. Brett Swarts, what do you have?

Brett: So I recently was in a disagreement with my brother and we never fight, we are like best friends and he's been my best at my wedding, he's two years older than me and it reminded me of a book that I read years ago and I should have read it again before I talked to him and it's called *Crucial Conversations*. What I love about *Crucial Conversations* is it talks about how to make a conversation safe, how to come and use contrasting and to slowly state your story in a way that is going to open up dialogue versus closing people down. So my personality, I'm an eight personality, I can be very direct and so I had to learn the art of *Crucial Conversation*s. So I could not highly recommend that book enough.

Mark: I've read that book. It’s a great book but I’ll have to tell you it’s been years since I’ve read that book. I'll have to pick that one up again because all the time I'm talking to Scott Todd and I'll think boy this is a crucial conversation. For example last week, he started new shaving regimen and I’m looking at him right now on video I'm thinking man you look 10 years younger and I wish we had that crucial conversation where I could have just said Scott I don’t want you to feel defensive and I'm really coming from a place of genuine care but that beard is aging you and now you look like you’re in your 20s.

Scott: Well, thank you, Mark. See that's the application of the book, so great job.

Mark: Thank you. That being said...

Scott: We'll talk about the shaving regiment later though.

Mark: We'll talk about the shaving regiment later. Scott Todd, what is your tip of the week?

Scott: All right Mark, here it is. It is and I'll put it in the chat too. It is Deprocrastination.co.

Mark: Deprocrastination.co.

Scott: Yeah, Deprocrastination.co it is a Chrome plug-in. What you do with this thing is you tell like, "Hey, these are my websites that I need you to block okay. Like block these things." You can do it for a creative morning or no distracting sites until noon you can set that thing up and if you go to one of these things let’s say like Reddit. Not that I go to Reddit anymore I've got a fix on that but if you were to go to Reddit or Facebook or Instagram or whatever it is it will block you. It will say no focus my friend, focus and the cool this is that you can setup custom times too that basically say hey look it's not just about the morning. Like if you're listening to this podcast and you’re burning the midnight oil and you find yourself like okay I've got to work on my land investing business but it's like 7:00PM at night and I get sidetracked to Facebook it will block you. It is designed to help you become laser focused.

Mark: You know what I can use this for Scott?

Scott: Tell me.

Mark: My son on his Surface.

Scott: Yes.

Mark: Which he dearly loves I can block YouTube and Discord. This is amazing.

Scott: Yeah but then, he could do the workaround which is go to another browser.

Mark: Oh okay, well good point and knowing him he would.

Brett: Guys, I had a little idea in my head when you said land development business by the way the funds Deferred Sales Trust it can be used to develop properties from the ground up all tax deferred.

Mark: Fantastic.

Scott: Nice.

Mark: Well, my tip of the week is learn more from Brett Swarts and go to CapitalGainsTaxSolutions.com. CapitalGainsTaxSolutions.com we will have a link in the show notes to his website and certainly start looking at this very creative, very sophisticated strategy to defer your capital gains and really transfer wealth, build your net worth even more because let's face it, you know your largest expense is going to be taxes and anything you can do to defer that and get that compound interest it's worth exploring more. Brett Swarts, are we good?

Brett: Yes Mark, thank you. Thank you, Scott. It's been my pleasure being on here and I really appreciate you guys giving me the opportunity to share my story.

Mark: Awesome. Scott Todd, are we good?

Scott: We're good, Mark. Yep we're good.

Mark: Listeners thank you so much. If you are getting value from this podcast please share it with your friends on the inter-Webs also the biggest favor you can do is subscribe, rate and 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*. Scott Todd, are you ready?

Scott: Hey and by the way, that review thing even if it's a three-star, even though we don't like those that counts too. Right, Mark?

Mark: It does, it does but obviously we're not going to solicit three-star reviews.

Scott: No, we're not saying that. We're just saying like be kind to us.

Mark: We're going to solicit honesty.

Scott: That's it.

Mark: That's it.

Scott: Ready, Mark?

Mark: Yeah. Now here we go: one, two, three.

Mark & Scott: Let freedom ring.

Mark: Thanks everybody. Thanks Brett.

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