

Mitch: This is Mitch. And we are here on another Real Estate Investor Summit Podcast, we have two guests today. And so, me-- your all-knowing host, will be having conversation with these two folks about how their career started, they are relatively new in the business, and we'll be talking about the changes that have happened and some of the challenges that they have to go through. The first person I have on the line is Mike Powell, he is from San Antonio, Texas.

Hey, Mike. How are you doing today?

Mike: Good, Mitch. How about yourself?

Mitch: Am doing great, am doing great. And then we've got Brandon Gaunce, over in Houston area. Hey, Brandon. How are you doing?

Brandon: Am doing wonderful, Mitch. Thanks for asking. How are you?

Mitch: Am doing great. So, I thought it would be interesting' cause, you know-- both of you guys came to me several years ago, trying to launch your real estate careers and I was studying both of your progress the other day, and noticed just how far you have both come. But, you both came from different directions, and a whole lot of set of different circumstances. So, I thought it might kind of neat to talk to you all about your beginnings on this business and how exactly you did it. Because, it's different for everybody and then, I thought, it might be neat to have you both of you all here together since you are so different. So, let's start with you, Mike.

How long ago did we meet? And what were you doing when we met?

Mike: When we met, I was working at the oil fields of South Texas. Working about, I don't know, anywhere from a 100 - 140 hours a week.

Mitch: That's all, just a 100 -140 hours?

Mike: Yeah. Just depended on how lucky I got. [LAUGHTER]

Mitch: So, I bet you really like that, huh?

Mike: Yeah. I was ready to be done with it, Mitch. I came to you because, I was ready to get off that train and have a normal life again.

Mitch: So, I remember correctly, you were planning a wedding and you had been doing this for about a year or so. And you have put a like year worth of money at the bank. What was driving you into entrepreneurship? Am gonna guess, its the 100 hours [LAUGHTER]

Mike: Well, yeah, the lifestyle of that of that job was not what I wanted for the rest of my life. And I have already, been self- employed before. I was determined to get back and I've been in real estate but, I was tired of making all these investors rich, buying all these properties and I was really ready to do it myself.

Mitch: That made sense. Where were you when we met? How long ago did we meet?

Brandon: I met you on February of 2014th.

Mitch: Was that two and a half years ago?

Brandon: Yeah. Give or take.

Mitch: Okay. Your circumstances is quite different. Did you have any previous real estate experience?

Brandon: No, I had a little bit of knowledge but no hands on experience. Never actually pull the trigger doing anything and I think that was primarily due to my corporate job, holding back on a little bit.

Mitch: Do you have a college degree?

Brandon: No.

Mitch: Mike, you did have some real estate experience, right? You would have been a commercial real estate agent for until you put yourself to college, right?

Mike: Right. I've done my license probably about 6 years when I met you, Mitch.

Mitch: So, you were on the knowledge, and you did get a college degree. And Brandon, the reasons why, is completely opposite of you. You didn't had a real estate license, you haven't been involved in real estate, to speak of. And you didn't had a college. What was your job when we met, Brandon?

Brandon: I was a corporate trainer. So, I traveled about 45 weeks per year, from all over the United States, training people in auto glass industry.

Mitch: Yeah. Then, what's driving you into this entrepreneurship?

Brandon: After 20 something years, and 6 years in position. They decided to eliminate my position at the company and basically, it was a blessing in disguise [LAUGHTER].

Mitch: You didn't feel like it was a blessing when I talked with you? I remember.

Brandon: No, No. No. I did not.

Mitch: You were in a bit of pressure cooker, 'cause you and I didn't have a-- you weren't really planning for this, and you didn't have a lot of money in the bank, did you?

Brandon: No. I had very little savings. You know, I was "successful in the corporate world", you know, I had a good job. And you know, steady pay cheque, and all was good, I just didn't have a lot of savings and when this came about, it was--it blindsided me.

Mitch: Yeah. The kind that made you mad, didn't it?

Brandon: Yes, very.

Mitch: So, I wanted the audience to hear both sides of it, from both people. One of the main reasons, I decided to take both of you all. I call it had-enough-meter, your had enough-meter was pegged, way over to the right and red. I cue it, you had simply had enough.

Mike: I was to a point where, it was affecting my whole life and I needed, I was just so sick of it, that I had to do something or else. I had my relationship with my wife changed and all that kind of stuff, if I didn't had figured out something to have a normal life.

Mitch: Is that oil field, just doesn't leave any room for anything, does it? Not even sleep.

Mike: No. No. I would get to see my wife maybe 1-2 days a month.

Mitch: And you were on the same town?

Mike: Yes.

Mitch: More or less. I mean, same region. It wasn't like you were all over in a different country drilling for oil. You were on the same state. You were on the same counties.

Mike: Yes.

Mitch: Yeah. Horrible. So, let's start with you, Mike. What's your strategy? When you go out to do the real estate business. What is your niche or your strategies?

Mike: Well, my major niche is owner financing, Mitch. Which-- I bought a couple of owner financed houses and we-- when I first called you, and I was having trouble selling them or getting decent buyers and what not. So, I just started out, I just kind jumped in, off with both feet, without knowing what I was doing. And luckily, you took me on, 'cause you don't take people on, where am at. And so, luckily, you took me on and help me get straighten out. That was my main strategy. But, I try not to add anything pass me by. If it is a good flip, I'd like to do it. If it's a good whole sale, I'll do that or maybe even a listing here and there. I try not to let anything pass me by. But, my major niche is, owner financing.

Mitch: So, you get up in the morning, you go and try owner financed houses. Just what I teach him. And that in that model. But, a lot along the way, you find a lot of different stuff, right?

Mike: Exactly.

Mitch: And then, Brandon, would it be-- what ends up happen in your typical week or your typical next 4 deals? What's gonna happen?

Brandon: If I were to purchase 4 deals typically, I would whole sale. Or retail or three of them, and owner financed one.

Mitch: Right. You'll still kind of that addicted to the big cheque, aren't you?

Brandon: No. You know, it's honestly, it's because one of the things that you teach about private money, I've still haven't overcome that stuff out, and went out and given it out enough diligence and find owner or private money. So, am still using my own money primarily, at this point, to buy and sell houses. So, the money that I make from wholesaling or retailing, I used to live on, obviously. But also, to build up a little and if I can have to keep any of my funds, you know-- in the owner financed deals, then I do that. I am really-- it is limiting me, which you warned me of. But, I-- it has limited my growth.

Mitch: Well, but you're-- I think it is a function of confidence, I think that your confidence is way up, because, you know what. I was looking at what your goals were for 2015 and your goals were to do 12 houses. Right?

Brandon: Yes.

Mitch: [LAUGHTER] And you end up doing like, 26 houses?

Brandon: Yes, that's correct.

Mitch: Right? And so, you must have gotten healed up pretty well, financially in those fears must have run away in 2015, right?

Brandon: Absolutely. That was a great year.

Mitch: Okay, and so, that was your basically your first year. Your first 18 months. The last 12 months of your first 18 months. So, then in 2016, what were your goals for this year?

Brandon: You know what, I got a little confident and decide that if I did twenty-six in my first year, at first calendar year. That, I might as well shoot for fifty in my second year. And am on target for that right now. I just contracted my 39th property this year.

Mitch: 39th property. Mike, it's been a hard year in San Antonio. It is probably hard everywhere. Just because of competition and blooming real estate markets. It is hard to find great deals, kind of looking for Sas watch, right? But, people think that there's not deals out there. Brandon's proving am wrong over there in the Houston area. What do you find in San Antonio? How-- what was your goals this year and last year? Let us start with last year, 2015. How many houses did you do in 2015?

Mike: In 2015, I did just under a hundred. I don't know the exact number but, it is somewhere between an eighty five and a hundred. And, this year same goal, we'd like to do and try a hundred, it's gonna be even tougher this year, because we are really trying to focus on quality not just quantity. So--

Mitch: Yeah. So, it doesn't do any good to do more deals and make them more steals. It doesn't make sense.

Mike: Yeah. Yeah. And that was something-- you had, I learned from you, I keep bringing things that made money but, you spend a ton doing it. And it wasn't very much money for the time you spend. So, I [Inaudible] back on from some of that, and I have. I bet, I would probably do sixty to seventy this year. It is a hard market to find good deals in.

Mitch: Yeah. There is a similar weak in the town-- or in these towns. There's people holding on, you know. What's driving them a lot of this is, the renovation shows on T.V. you know- flip this and flip that. And I think, every housewife on the planet wants to be a house flipper also.

So, right now, when you watch them as soon as a little recession hits, watch every body disappear, 'cause I've been to 2 recessions and Brandon and Mike know this. This business of owner financing, that particular niche, blooms in a recession, really really blooms in recession. So, one of the reasons, I wanted to have both of you guys at the same time is, I want to get your input, is to how much your life has changed since, you decided to make a commitment.

One of these things that both of these men did was, they both jumped in with both. They wanted-- Brandon didn't have a choice, his job was being pulled out for [Inaudible]. Mike did have a choice, although it really wasn't much of a choice. He could stay or he could go and certainly couldn't stay at a pace that they were trying to wear him out at.

So, I don't suggest that anyone jump off with both feet unless you have a plan or you are ready or there is some kind of net. Sometimes, life doesn't give us that luxury. It didn't give Brandon that luxury. Mike was able to pull of years of worth of expenses in the bank, and he had 12 months to make something happen.

Brandon, how fast things start happening for you. I mean, you jump off and said "Do or die, I've got to do this". You know-- you started from scratch with a blank sheet of paper, how long did it take you to get moving?

Brandon: I think, I got super serious about it the end of May at the end of 2014. Contracted my first property in August and closed it in September. And the remainder of that year, I think I've got 2 other properties. I think I made about 30 or 35 thousand dollars in that May to December time frame. But, I learned a lot. I made a lot of mistakes. I planted a lot of seeds and that's what helped 2015 become successful. But, it was a struggle at first.

Mike: Brandon, when you said you made a lot of mistakes, I feel your pain. Because, I went down the same route. I can't imagine the amount of mistakes that we made without having some kind of guidance going through it.

Brandon: Yes.

Mitch: We'll gonna talk about those mistakes just in a second. So, what were you making at your job, Brandon? When you were at your job, what were you making at your job?

Brandon: Well, over 80 thousand a year.

Mitch: Yes. See, that was a nice pay cheque. So, you know, you got to jump into a whole new career and try to make 80 thousand a year, just to be where you at. So, you know, I didn't take it lightly when I heard that. But, you just didn't had a choice, did you?

Brandon: No. No. And you know, that first year, financially it was a struggle. And you know, life in the home was a little tensed. And you know, things like that, but it all came to me when I was ready for it, honestly.

Mitch: When you were ready?

Brandon: Yeah.

Mitch: A teacher will appear when the students are ready, that kind of thing?

Brandon: Yes.

Mitch: [LAUGHTER]

Brandon: Absolutely.

Mitch: You know, I tell people stuff over and over again and they won't get it until something happens and they go "Okay, I am ready to hear that again, tell me again about that". [LAUGHTER] And I'll go "Okay, what you had happened what I've been telling you to is gonna happen and you keep doing it". So, when did-- how long did it take before you knew you were okay?

Brandon: Probably, I would say, February of 2015.

Mitch: How long was that, probably a year?

Brandon: Yeah. That would have been a year from the date that I met you. So--

Mitch: Yeah. So, pretty typical. What about you, Mike? I remember you shout out like a cannon and of course you kind of go out of your own and try to do a few things. And kind of, got

yourself upside down in some houses. And we were trying to undo that or mitigate that. Some of them can't really be mitigated not so long ago. I mean, they went on for a long time, right? You got a hold of a sidewalk attorney and guys strung you out for a long time. So, pretty ugly stuff, but, you know the overall picture, you survived in great fashion. How many houses did you in your first year, Mike? I know the number if you don't.

Mike: Boy.

Mitch: How many did you did in the first year?

Mike: It's funny 'cause Brandon said he was hoping to do 12 and I was the exact same. I got into-- if I just do a house a month, I can make a great living, you know and all that kind of stuff. And once, I got rolling, I did 28 houses in the first year.

Mitch: 28 houses in your first year, Brandon did 26 in his first 12 months. Either you guys remember the money that you made in the entire first year?

Brandon: I think, mine was a little over 200 thousand.

Mitch: Okay.

Brandon: That doesn't count the owner financed notes that I created.

Mitch: So, you are just talking about the cash that you put into your bank account, right? There is so much down payments or whole sale profits or retail profits, you are not counting cash flow right now.

Brandon: No,no,no.

Mitch: And that's what you are really supposed to do in your first year, you know. You really need to put some cash in the bank. You need to get some spouses or some nervous spouses get them calm down, get yourself calm down, for heaven's sake, right? [LAUGHTER] Get the gun away from your head, so you are in the pressure to make a deal. Mike, you remember what you did in the first year? I know that you were a lot less, taking the cash, you were trying to build that cash flow, because you had that one year's worth of money in the bank. So, I remember, that you grasped the owner financed cash flow model, pretty quick, although it took you a little bit of time but you grabbed it pretty quick.

Mike: You know, I made some mistakes and I didn't listen to you, listen as I well I should have something, so that costs me some money. And so, I probably, made somewhere between \$70 to 80 thousand in down payments and was making somewhere around \$7,000 a month cash flow on these houses.

Mitch: Yeah. So, what was your freedom number per month? Just to pay your overhead.

Mike: About 35 hundred a month.

Mitch: So, you exceeded your freedom number. You exceeded creating cash flow that passed your freedom number. So, you were free at that point. Before the end of the year, you had-- not only had some decent money in the bank. I mean, I know you spent some of that probably, to correct some mistakes that you made. But, you had more importantly, created a \$7,000 a month positive cash flow. When you only really needed about \$ 3,500 to live modestly. And may I point out that both of the people that I am talking to, Brandon and Mike. They did pay that lesson well. Both of them lived very modestly in the name of financial freedom. They wanted to keep their overhead down. I remember, Brandon you pay a lot of bills to keep your overhead down. So, you could weather the test of time in this business. Mike, you just really never had a high overhead because, you always knew you were headed in this direction, and you have been preparing for a kind of a long cold winter yourself, right?

Mike: Yeah. And even now, Mitch. My monthly is much much higher than that. I've been there and see what happens 'cause I went to the 2008 recession in real estate and so, I still don't know whether to get away 'cause you don't know what is coming around the corner.

Mitch: Well, Mike's really conservative. So, Mike what is your cash flow up to this year?

Mike: Actually, I was just looking at the spreadsheet yesterday, and I think we're up to \$ 32,000 a month cash flow.

Mitch: Unbelievable, huh?

Mike: Yeah. It is. With more properties, I think we have 80 properties that is owner financed now, that we have notes on. And out of those 80-- when you have so much going on, you have more overhead, it is not all in the pocket. But, every time I added a new one, it will be more cash in your pocket. Because, by overhead, we are more than covered for a while now.

Mitch: Yes. So, I wanna point out that some of the differences. One is, Mike's been in the business, probably about 5 years and Brandon's been about in the business for about 2 and a half years. The other huge difference, I say this with all the love in my heart, Brandon. The

difference is, Mike mastered private money. Mike has a lot of private money behind him now. That wasn't easy, was it Mike? I mean, that wasn't like everybody walked up and everybody gave him million dollars. I mean, tell me your about your struggle to find the private money.

Mike: Well, that's funny because, it was a struggle. The biggest part of the struggle was the confidence level. My big struggle with it was, I was 25-26 years old and you go sit down these very successful people that have-- their usually older, and have money in the bank. And not a lot of my 25 year old friends were sitting in millions, you know. [LAUGHTER]

Mitch: Yeah. So, you are talking to these older established guys and you, you're walking in there, and you are 25 years old when you started and your biggest problem was, "who's gonna listen to a 25 year old kid, just fresh out of college"?

Mike: Exactly. And so, you know, I touched base with some of my parents' friends. And I was very fortunate to have some of them jump on, I wind up doing about 10 houses for my dad for free, that was our deal, I'd do him for free. But, I got to use his examples for, to take chances are. I need to use his examples for my portfolio to show everybody else. It sounds crazy but it worked out really really well.

Mitch: Well, it got you some confidence. You could show people 10 houses that you done in the numbers, and that came out really good.

Mike: And he was able to tell people, you know, "This is what he has done for me, here's my numbers". It kinda snowed ball from there. And I got wind up and unto the next, and then private money started to snowball, because one guy told his friend, and he bought \$400,000, and that was enough to do 8 houses and then, that guy told his brother and there's another 10 houses, so it kinda snowed ball after that.

Mitch: Do you remember how we got over part of that complex that you were so young?

Mike: Yeah. The biggest thing that you taught me, Mitch, was not about the person you are loaning the money to, it's about the asset and the deal that you are loaning on.

Mitch: Yeah. It wasn't about you. We changed the mindset, you were focused on how young you were. It has nothing to do with you, Mike. It has to do the private lender wants to know, how much money you'll gonna pay him every month for using his money. You know, what are the interest rate, what are the terms.

Mike: Well, you told me Mitch, I should be able to get somebody without having a medium. If I talked to someone on the phone and email a deal, you should be able to get private money without ever meeting him just based of your deal.

Mitch: Right. Because, they don't wanna know how much--what are the terms, when are they gonna get paid for loaning you the money. And if you don't pay him, what do they get. And in this case, they'll gonna have the first lien on your property, that you used their money to buy. You'll gonna pay them or they'll gonna take your house. And, I've been probing to your deals, I know that you are averaging about 52% LTV or loan value. So, if you spend \$52,000 on a house, then you'll gonna owner financed it for around a 100 to 110, you know a \$100,000. So, you are only borrowing 52% of what the owner financed value of the house is. That's a pretty safe position for a private lender. It should really be about you. I mean, you should actually-- if you are in jail for murder, you should be able to get this deal done. It is somehow just get you to a computer or a phone so that you can make some phone calls.

Mike: [LAUGHTER]

Mitch: It is not about you. It is not about you. You either gonna pay them or they'll gonna get your house.

Mike: You were able to teach me so much about it on how to deal with your private lenders and credit people that talk to-- remember I was talking to the wrong people to talk at first. I remember, I was talking to people really entrepreneurial, and you-- you're going, "No, those people don't know how to make money, you got to go and get the people who are sitting within the bank and not leveraging it".

Mitch: Yeah. That's sitting there making 1%, where they have lost half of their wealth in the stock market because they pulled it out in blank cd's, they are making less than 1% and they don't know what to do.

Mike: They are a lot of stuff, I never thought would be coming in, you think it to yourself, "Okay, well this guy, got a lot of money, you wouldn't think he is entrepreneurial, and he's not gonna sit in the sidelines and wait until you do, he's gonna do it himself".

Mitch: So, yeah. Brandon, have you found some private money, right? Or are you still looking for your first-- to land on your first private money guy.

Brandon: No. No. I've had family members and stuff like that on some small deals so far. But, I think the big thing is-- was Mike owns is, you would put it out in his heart, about finding private money, and about being the asset not the person. I haven't gotten over it yet.

Mitch: Okay. So, we'll gonna work on that as soon as the phone call is over.

Brandon, Mike and Mitch: [LAUGHTER]

Mitch: Look, the difference between Mike and a great living, and you Brandon becoming a multi-multi-millionaire, not just on paper. But, am talking about cash flow, is private money. Because, when you cannot fund every deal that you want, because it is a great deal. Then, you never have to say, "No". You don't have to pay hard money, right? You don't have to take on partners, which sometimes the most expensive, because, they want 50% or better. You know, when you have a funding source that you can go to. That is fair, reasonable and long term, 'cause that is one of the things we need more when we borrow private money, for owner financing.

We need underline debt, that we borrow to buy the house, that we can wrap when we owner finance the house to our buyer. You know, the buyer pays us on their mortgage and we pay our private lender on the mortgage that we owe. And so, we have to get to a certain a color of money, right? It has to be longer than 6 months or a year, or it has to have some link to it, like 5 years or if not 10 years. It needs to be of a reasonable rate.

What are you guys borrowing money at right now? What are your private lenders' typically, what do they do for you?

Brandon: Am at 8 to 10 %, on the low dollars that I've borrowed.

Mitch: Yeah. 8 to 10 %, what about you, Mike?

Mike: Am almost all at 8%. I try not to go to 10, 'cause money is so cheap right now. Am really trying not to do that. If I could just show him that how cheap the money is at the bank, I could keep him at 8%.

Mitch: For the record, I used to go out and I ended up offering people 10%, because, I wanted it to be really lucrative for them. Because, I was desperate for the money, because I was finding so many deals. I did it. So, I offer people 12% and even a little bit more, and I actually scared them away. They thought you know-- their rationale was "Wow, if this strategy, if this guy wants to pay me 12%, there must be something wrong with this, this might be some kind of scam". And by offering too much, you could run people off. Have you experienced that, Mike?

Mike: I have and you know, I started off like eleven and twelve, and then just recently over the past year and a half, where I really stuck my guns at eight.

Mitch: When you give those people level of security that we have given of, and of course, there is nothing guaranteed at all. Because, the guarantee is, if you don't get paid, you get a house. That is the only thing that is guaranteed. Because, if you see in the laws and regulations, allow you to guarantee anything, it is against the law to make anyone guarantee, but, you know when you are borrowing \$52,000 from someone, and the house can be owner financed for a little over \$100,000, then there's not a lot of risk in this, where a guy can lose his \$52,000. He's gonna get paid the 8% that you promised him or he's gonna get your house. And certainly, he should get \$52,000 large at the house that we know for a fact, that the owner financed based on the rent in the owner financed for a little over \$100,000.

I am gonna throw something over here at Brandon. I think, you could probably kill two birds with one stone, if you all you did was call on an attorney. You can walk on attorneys to ask them what they think of your business plan. And it is the business plan, you could actually pitch him for the money, and then if they didn't volunteer to give you the money, then at least you made the impression on them, that you'll gonna buy their houses from their clients which have real estate problems. Let's face it, nobody walks into an attorney's office that doesn't have a problem. Very seldom. Mostly, or 98% of the people that walked into an attorney's office have some kind of issue that they need to solve. And am gonna tell you that 50%, of those issues are either involved real estate or could be solved by the selling of a piece of real estate.

And so, talking to attorneys is a great way to introduce the fact that they might-- that the attorney might be able to loan you money at 8%. The very protective way, with real estate collateral. And it is also, a way to plant seeds to find houses. Because, I know for a fact that, you get a lot of houses

from attorneys if they know who you are and they believe you can close quickly and effectively on houses, especially solving title problem, taking houses that are not in perfect condition. So---

Mike: So, I've got an attorney friend of mine, Mitch. He brings me a lot of houses and I get my best deals from attorneys. Usually because, one we are such good friends but, I bought one last week, it was worth \$90,000 and when we bought it for \$13,000 and people had to get rid of it so fast.

Mitch: So, you bought a house that is worth for \$90,000 for \$13,000 because someone had to get rid of it fast. Can I ask why they need to get rid of the house fast? People don't believe that this happens. They think this is all a bunch of guru hype B.S.

Mitch: This gentleman-- in the state of Texas, they take child support extremely serious. And this gentlemen owed \$13,000 for child support and if he didn't paid it by certain date, he'll

gonna go to jail and lose child the whole nine yards, so he went to the attorney to ask what he can do, and he had two rental house, so, he called me up and said, "They need \$13,000 by this date". I drove by the house and took out a cheque the next hour.

Mitch: Wow. I've had the same thing, almost the exactly. Little house on Waterloo Street, leaning a little bit to the left. Probably, worth about \$70,000 if you put a little money into it. Guy needed \$18,000 to stay out of jail for 10 years. He'll gonna go to jail for 10 years if he didn't pay child support of \$18,000 in 4 days. And, you know, there's not a lot of people equipped and ready to write a cheque for 18 grand. And can do what it takes to make sure that you'll not buying some rotten asset in 4 days.

Mike: And that specific attorney I've had probably made over a \$100,000 this year on houses, just for that one attorney.

Mitch: No wonder you are good friends with him.

Mike, Mitch and Brandon: [LAUGHTER]

Mitch: But, you didn't start out with good friends with this guy, right? Is this someone you met through the house business, or this friend of yours that was an attorney, or just become friends because you did a lot of deals?

Mike: No, I met this guy through the house business. This-- he was young and aggressive guy and so I hired him for deals that I was doing. And I used him numerous times since then for some letters and even for closing here and there, just to put him a little money on his pocket so that we can become friends. And you know, I kind of paid for the relationship, now am his first phone call, anytime he gets anything real estate related.

Mitch: Yeah. Does he introduce you to any other attorneys?

Mike: Yeah. He did introduced me to another couple of others, but usually what he tries to do, is he finds out one through them, he likes to work it with me. We're good enough friends if he just like to take if off their plate for me and work it with me.

Mitch: Okay. He's no dumb. He's trying to keep himself in the middle, so can he can keep a little bit of it too, right?

Mike: Exactly. [LAUGHTER]

Mitch: Cool. It is all right. So, Brandon, we'll gonna probably wrap it up here in a second, but, what would you say to the audience out here, that you've been in the business 2 and a half years, you hired a mentor, mentor shift, it was some change, and it certainly wasn't jump change when you decided that you needed to do it. Because, you didn't really-- you didn't have a lot in the bank. So, everything you could do, hey, Brandon. Let us describe your first two and a half years in a nutshell in this business and then hear about how you feel a little bit of your future.

Brandon: Alright, Mitch. Two and a half years ago, like we discussed, I didn't have you know--a whole lot of savings and was fixing an employment essentially. And, I just have to subside all my fears and put my belief into this, one hundred percent. And two and a half years later, I've got my monthly cash flow of about \$5,100 a month. And I just had to do asset sheet, I guess, what is called. First time I ever did was one of those for a bank, and net worth of about \$700,000 dollars as of today. So--

Mitch: Wow. Quite a change. [LAUGHTER] And how do you feel about your future? I mean, what is the next two and a half years. Where do you think you'll be? Do you have any idea?

Brandon: You know what, it is almost unfathomable, you know-- at first, it was hard to find houses and now it's, how you make money in this business, is finding the properties, and now, Mike had said too, having a goal of having 12 houses in our first year. Once you start this, it is like, turning a faucet on. And I don't think you can limit yourself. Because, it just starts happening. Once you know, you've got a reputation and you put systems in place and things of that nature, and support along the way, it is just the water keeps on turning on. It is amazing.

Mitch: [LAUGHTER] Don't drown. Don't drown. Hey, Mike. You've been in the business for about 5 years. Tell us about the first 5 years' journey and what you see for your future.

Mike: Well, it was a struggle upfront. Both, mentally and somewhat physically, because you work a lot of at first and so, it is definitely a struggle but, the best thing that you can do, 'cause you get over that hump and get over that learning curve, the sky's the limit. Like I said, we've got 80 properties, owner financed. You know, I'd like to have 200 to 300 hundreds of that. If ever I wanna go backyard again, and go look for houses, which I shouldn't have to for the next 20 years.

Mitch: Yeah, you know over 5 years, your cash flow is like \$32,000 a month or something.

Mike: Yes.

Mitch: Yeah. Do you have any problem living off that?

Mike: Not at all, and the bank is extremely impressed by my financial standing and so--
[LAUGHTER]

Mitch: Yeah. You don't have to say a number, because am sure it is a large number but, I am gonna guess you are multi-millionaire on paper.

Mike: Yes. Yes.

Mike and Mitch: [LAUGHTER]

Mike: All in 5 years and at the age of 30. I've been extremely blessed and happy with the guides that I chose and the route I chose to do it.

Mitch: Yeah and how do you all feel about mentorship. Because, I know that we put in a lot of time, and it's not a baited question, because I think, there's a lot of times I told you things you didn't wanna hear. And--

Mike: Am a firm believer in education and in mentor-ship, in the cheap education, compared to what I've paid for a 4 year degree. So, your mentor-ship is the most important thing of this. If I have to learn all this and go through all these mistakes on my own, I wouldn't even be a quarter of the way or where I'm at right now.

Mitch: Yeah. Well, you are a great student. How about you, Brandon? What is mentorship meant?

Brandon: I agree with Mike in the beginning. It's the most difficult part is the mental challenge of everything. And what mentor-ship meant the most to me, was having you there to help me through those mental highs and lows.

Mitch: Yeah. It is an emotional roller coaster and it is not just deals. There's a lot of family pressure and a lot of bills to pay and a lot of conversation that don't have anything to do with about finding houses or selling them. There's things that has to do about just the household, right? We talked a lot about that stuff.

Brandon: Absolutely.

Mitch: You know, how you gonna look at it, how you gonna handle it, what you gonna do, how do we let off some this pressure, and how fast we can do it.

Alright you guys. I, really really appreciate you guys spending the time. You guys have both been a bright spot in my life, because, it is always fun to win. And you guys, are certainly big winners, and to be part of it was great for me. You know the relationship continues. Because, what happens is, all my students become my friends, you know. I can't help. It's been a pleasure talking to you all. Thank you for coming on so early and I appreciate your attitude and work ethic and I really admire your success. Thank you very much.

Mike and Brandon: Thank you, Mitch.