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Land Investing & How Facebook Is Changing Everything

Hosted by: Joe McCall

Welcome. This is the Real Estate Investing mastery podcast.

Joe: Hey, guys, how you doing, Joe McCall here from the Real Estate Investing Mastery podcast. Really glad you're here. Got something cool for you. We're gonna be talking about one of my favorite investing strategies, land investing. And we're gonna be talking with a pro who's been doing it for a long time and he's got some really, really cool things to talk about in terms of Facebook and how Facebook is changing the landscape for finding sellers and buyers for land investing. Now, this also will apply to whether you're doing houses or land or commercial or anything. So, this applies to the entire real estate investing industry. So, I want you to pay attention. It's going to be a very, very important podcast.

Joe: Facebook isn't going away whether you're doing paid ads to get sellers and buyers. Like I said, it's really important to understand how you can actually use Facebook to your advantage and not let Facebook take advantage of you because there's a right way and a wrong way to do your marketing on Facebook. I think we could all agree with that. Right. So, I just wanted to announce a couple of things here. First, before we invite Dave to come on here. Number one, this podcast is brought to you by LendingForDeals.com, LendingForDeals.com.

Joe: This is a company I've partnered with that lends in all 50 states, all different types of deals. They have tens of thousands of different types of programs and lenders that they work with. This is the first nationwide, kind of like the lending tree for houses. But this is for real estate investors. And just check it out. You know, you get a free proof of funds there, too. You can get your transactional funding, residential lending, commercial buildings, residential buildings, bridge loans, single family, residential rental homes. You can do your BRRRR strategy where you're just buying and refinancing or whatever. They lend it all. And it's very I know the guy who runs a company and I stand behind him, but go check it out. LendingForDeals.com, LendingForDeals.com Boom.

Joe: There. I got it. Got it on the thing. And check it out. It's free to check it out. Doesn't cost you anything. And the other thing I wanted to ask you guys, number one, is if you are listening to this podcast or if you like to listen to podcasts, some of you right now are watching this live on Facebook and YouTube. But if



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you're if you like to listen to podcasts, please subscribe to the podcast. RealEstateInvestingMastery.com, RealEstateInvestingMastery.com as I'm trying to fix my screen here. The Real Estate Investing Mastery podcast is something I've been doing since 2011. It's a passion project of mine. I really, really an excited and passionate about. I do three episodes a week. Some of them I do like this one video, some of them I do from my phone while I'm driving in my car.

Joe: And it's just something that I think that is just a way for me to teach you guys what is going on in the industry. I'm really trying to stay tuned on trends, on things that are working today, things that aren't working, things that are going on in my real estate investing business. Some of my students and clients and friends. That have been doing it a long time. I love it. We have over 5 million downloads. It's crazy. It's hard to believe. We have listeners in over one hundred and seventy different countries. And please, I want you to subscribe to the podcast, go to Apple podcast or Google Play or Spotify. Just subscribe to the podcast. That way you'll get notified when new episodes come out and we come out with three episodes a week. All right. So that's enough of that. I'm gonna bring Dave. Dave, how are you doing, man, either? Hey, Joe. Let's go, man. Dave Van Steenkiste. I said that, right?

Dave: You got it, man. You got it.

Joe: Van Steenkiste. Dave is a guy that I met through the innerwebs somewhere. And I forget you were on a podcast. You were on a podcast. I think. I don't want to say who it was because maybe it wasn't him to help myself. Then I reached out to Dave. I said, hey, listen, I love what you were talking about. And I wanted to ask you some questions about some things that I had going on. And Dave is one of the several friends of mine that do a lot of land investing deals. And he's spots on and here's how he does it. And it's not something that has to be a full-time job. It's not something that's going to take up your nights and weekends. You can do land investing as a full-time income or as a side hobby. If you still have your job, you still want to work. And so, I asked Dave if we could get him on and talk about land invest. And he said, yeah, but let's also talk about Facebook, because a lot of things are happening in Facebook.

Joe: And it's going to be, I think, beneficial to people who are doing land investing and those that aren't. So cool. Let me say one more thing, Dave. Those of you that are watching live right now on Facebook or YouTube, please go ahead and say hi in the comments and tell us where you're from. If you go in to the YouTube comments or the Facebook comments, tell us. Hello, tell us where you're from. Give us the thumbs up like this video and share it if you want to, because we just like to say hi.

Joe: And like there's Michael right here. I think you might know Michael Batiste. Hi, Joe. I hope my message finds you. Well, it does, Mike. I'm glad you hear it. Thanks a lot. OK, Dave. Talk a little bit about your



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background and how you got into real estate investing. And I want to ask you specifically why you chose Land Investing. Sure.

Dave: Well, oh, gosh. You know, I had a career in engineering and sales for quite a while. I ended up selling my company and moving over to Europe and living in Sweden for about two, three years. And when we came back to the states, I was looking for things to do. I ended up helping a buddy with a startup. And then I started studying about real estate. This was kind of during the downturn after things were starting back up again, maybe 2011, 2012, and I started flipping houses with the goal of collecting rentals. But didn't quite get as many rentals as we'd like, but flipped quite a few houses. The market here in Denver got pretty tight pretty quickly. I mean, it recovered very fast and I learned about land investing and I thought, gosh, this sounds interesting. And I think I learned about it on a podcast way back in the day and did other thing that kept getting frustrating to me. I was a fix and flipper. So, I was on all the wholesalers text list and I get a text, take a quick look at it online and literally be on the property within forty-five minutes and it's gone. Something happened over and over and over. And to get enough deals in there, you got to do your own marketing. But you also have to be hooked up with the wholesalers as well. So, you have enough deals in the pipeline. And when I saw land and saw, gosh, it moves a lot more slowly, I don't need to rush out and go look at a property. In fact, I never have to go step on it. I've done over a hundred fifty deals and I've never set foot on one single property.

Joe: And let's talk about land. Investing is real quick. And I know you're telling your story, but this is important. Some people are thinking, what, you're going out and you're buying, you know, a couple hundred acres in the city and you're developing it. What do you mean by land investing? Yeah.

Dave: So, yeah. Thank you. Because we want to address your audience versus being on land investing podcast. So really, you know, guys, we're taking, we're looking at stuff that's rural, that's typically not near any development.

Dave: You've got large acreage that's, you know, in a kind of a two to three-hour radius of a significant metro area. You don't want it to be too far out because then you may not have too many buyers. You always want to start with your buyer in mind first. But people love large recreational acreage to do anything from, you know, just go out ride their motorcycles, shoot their guns, can't do things that, you know, go have fun with it on the weekends to maybe homesteading it.

Dave: And then there's other lots like maybe someplace that somebody might want to build a cabin that's smaller, that's in the hills that's treed, maybe has a little infrastructure. But this is essentially buying very low and reselling low, and quickly. And also, many of these properties have you're into such a small



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amount of money. You can sell them with seller financing and create cash flow for yourself and recoup your capital very quickly. And it's also a strategy that you can get into with very little capital.

Joe: Given example deal, maybe one, a recent one, you've done a typical deal.

Dave: So, you know, a typical deal. I'll give you a typical and then some a couple of wows, you know, and it's like anything. Don't expect the WoW's the home runs. But if you keep putting one foot in front of the other and you stay focused and you stay at it, those will come. You keep hitting base hits. And then in case they double, triple and occasionally a home run. So, a very typical deal. If I if I just look at the I had my first hundred deals. I had them averaged out my average price. I paid for a deal was forty-seven hundred dollars. My average price that I paid cash that I sold cash for one of those deals was around twelve and a half grand. And then on terms I think my average so a seller financing the average was about eighteen thousand dollars.

Joe: What was your average monthly payment when you sold it on terms?

Dave: That's not on top my head, but like two to 250, 200 now.

Joe: \$150 a month. Yeah. For a property that you paid an average of forty-seven hundred dollars. Forty-seven hundred dollars. Did you guys hear that?

Dave: Yeah. And then, you know, you get, you know, one to two thousand dollars down. So, I typically try to structure it so that my all of my capital is repaid within 12 months or less of selling it. Not of my actual hold time. And then my average hold time. A seventy-six days.

Joe: That's from when you bought it. When you sold it with cash or when you bought it and sold it. Either way, either way. You can sell your property; you buy them with cash and you can sell them either with cash like to a cash buyer or to an on terms or owner financing. Right. And this is amazing. Oh, I love about land. And I've done probably about 25, 25 to 30 deals, maybe more of our own vacant land in Oregon, Colorado. Doing a little bit in Florida, but that's not working out too great. That's about our average as well. We make an average of five to seven thousand dollars cash on each one. Not done any owner financing. Well, but here's the cool thing about it. What kind of house can you go out and buy for \$5000? That gives you two to 250 dollars a month in cash flow and you don't have any of the tenant hassles and headaches and things like that. Right.



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Dave: I mean, you can go out and buy a rental property by the time you get lending on it and everything. You know, you might have one hundred thousand hundred fifty thousand dollars loan or more. And by the time everything washes out, you're lucky to cash flow \$250 a month.

Joe: Obviously, we don't get you don't get tax depreciation and some tax benefits with land that you do with houses. There's a bigger demand for houses than there is for land or out. But so, to talk about, I know a lot of people are thinking what on earth, like how do you find that land and why? How can you buy it without going to see it? You talked about that for a minute.

Dave: Absolutely. So. You know, the thing about land is it's much more out of sight, out of mind to people than it is a house.

Joe: How many how many average acres are we talking about too?

Dave: All over the board? But I mean, I love large rural stuff, 20, 40, 80 acres. I mean, I've done a lot of forty's.

Joe: That's you're buying them for like 20 cents on the dollar.

Dave: Yeah, like 20. I mean, if you figure, hey, you know, five grand for a 40 acre, that's one hundred twenty-five bucks an acre and then turn around and sell that for 300 bucks an acre cash. OK. How do you think terms? Yeah. And just explaining on the terms for your viewers a little. Why has charging more for the terms. The way I position it is if you want seller financing with like the minimal amount down, it's my retail price. And then there's an incentive to pay cash. And I have a big, big discount for cash. That's how I position it.

Joe: OK. And how do you find this land?

Dave: So almost 100 percent direct mail. You know, I use, you know, some various methods to figure out, you know, those that two to three-hour radius outside major metros. And there's some various metrics that we use. And I use a tool called Data Tree. You can use Agent Pro or CoreLogic. I really like Data Tree to filter down my lists and send out mail. And, you know, it's not a distressed situation. Some people use the method to target properties that have tax liens on them. But I find that there's no need to. You're leaving too much out there. There's plenty of people who are detached from the property. They may live in the same state. They may live out of state. But it's typically a story that ma and pa bought this property 40 years ago, 30 years ago.



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Dave: And they had dreams and aspirations of building. You know, maybe moving out. They're retiring out there, building a cabin out there. And it just never, the years went by and they pay taxes on the property and nothing ever. They didn't they never did anything. Now, maybe one of them passed on and ma gets my letter and says, you know, I'm not going to do anything with this.

Dave: I maybe have called realtors in the past to ask him to list it. And there are a lot of these properties are at price points where realtors are not interested in listing them. There's just not enough juice in the squeeze for a realtor. They'd rather go sell a \$2-300000 house and make the commission on that, then sell a piece of land. And many of them just don't specialize in land, so they don't know it very well. And so that's really the niche. And it's just finding people that they're not in a distressed situation. But it is situational. It's not about the asset or the value. It's just about their situation. And they could they set your letter and they could use some cash.

Joe: Yeah, I use this analogy a lot, too. It's like you go to the garage sale and you see a treadmill that is for sale for 50 bucks. They paid like two thousand dollars for it. You think why on earth would they sell a treadmill that works still works for 50 dollars that they paid two thousand dollars for? Well, it's because every time they see it, it reminds them of how fat they are and how they're not using it.

Joe: And they're getting tired of seeing clothes hanging from it. Right. And their wife is mad at them forever buying it in the first place. And they just want.... Or the wife is selling it because the husband bought it and never used it. They just get rid of it. And that's what it's like with land. I mean, people just are sick of it. They're sick of the taxes and they just need some extra money and like we're never gonna go there anyway.

Dave: The taxes usually aren't that much, but they're like they think about it when it comes tax time. Like, why am I why do I have this? Yeah. And then they pay it and then. Or they don't.

Joe: OK. So, when you send your direct mail, what does it say? Is it just like is it a postcard? Is a letter? Is it on offer? Blind offer?

Dave: Yes. So, great question. I do. I utilize the letters and I test between a one and a two-page letter. I've got a couple of different templates, but I prefer blind offers, which is an actual offer contract that they sign. It does have a counteroffer line on it. I find that my deal rate is higher with blind offers, but I do a combination of both. You know, for example, because with blind offers, it's more work upfront to figure out the area, figure out kind of the average price per acre and then what you're going to offer on that.



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Dave: And there's variations within the land. You know, you're going to hit some of it spot on some of it. You're going to be a little high and some of you're going to be a little low. And if they if you get responses, then, you know, you know, you may need to negotiate. Sometimes you just get that letter signed back. Yes, please buy it. And I use a program called Land Speed. It has a really great feature where A) I can just throttle out, you know, ten a day over to this area and five a day over to this area. So, I can have a wide coverage. And it keeps my business very even. But what I really love about it is I worked with Howard, the owner of Land Speed, which we're going to have him on a podcast, by the way, coming up here.

Joe: And people are asking, what did he say? Land, speed, land speed. Google it and you'll find it.

Dave: Yes. So, we set up a feature where when we price our offers in our spreadsheet and we import it into land speed to mail, we can we can enable two templates, a blind offer template and a neutral template. A neutral is, as you know, what's most common with houses and things like that. Hey, I want to I'm interested in buying your property. Call me, basically. And so now that has much less work on the front end. But on the back end, if you get a lot of responses, then you've got a running cop, all those properties and everything. So, but what I love about it is sometimes I may price a county. I'll look at a county. And if I've got a large swaths of properties in a in a in a subdivision or in a particular area, I can come up with a price per acre in that area and then just drag it down my list. And I've got that whole area priced. Now you've got little clusters all over the county. Two or three here, one there. I don't want to really take my time and price those out. It's takes too much time. So instead of just starting a get basically a guess and throwing them a blind offer, I leave a zero in the offer column and land speed knows to use a neutral letter for those offers.

Joe: Really? Yeah. How about that? And then how did this land speed as others? I think it's lands when I think of two things. One of them is it's just a really awesome spreadsheet where you copy and paste data from Zillow, actives and solds in there. And it just calculates it out and gives you averages.

Dave: Right. That's actually price boss. So that's another product by land speed. That's price boss. That helps you price the area.

Joe: Okay. Okay. Right. So, land speed is the CRM. Yeah, basically. Okay. That's right. Yes. So, I've used price boss from the same guy who create Howard. All right. Okay, that's cool. Now what does. I'm just curious personally, what does what service does land speed use for the direct mail? Who sends it out or you just give it to you to print?



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Dave: No, it's integrated with click to mail. Okay. So, it's beautiful. And with the contract, if you're a land speed customer, you can send one letter or ten thousand letters the same price that is.

Joe: So, it just it's integrated into click to mail. Yeah. To go ahead and.

Dave: And so even when you're you know the when you get your neutral letter, when you send out your neutral letters, you get somebody who's interested. And then you want to send them your offer. You just put the numbers in the land speed, click send them a letter and off it goes.

Joe: That's cool. And are they using Podio in the back end? Yeah. That's cool. So, you prefer the blind offers? How do you determine the offer to make? And let's say you're targeting 20 to 40 acres in a certain city area.

Dave: A lot of that. Well, you know, there as much art as there is science. But typically, you're gonna go look at sites like Zillow like. And for the bigger properties, Zillow is not as good. But then you, but for the small stuff. Smaller stuff in the cluster and maybe cabin, lots of things. You're gonna have better data on Zillow. But so, we use Zillow. We use land watch. Lands of America is also very good. I like Lands of America a lot because it has the map function. And so, you know, you could zoom in to that and put up data.

Dave: The data tree map next to it and kind of figure out the area because, you know, it's not like houses where you've got subdivisions for everything. You're kind of looking at a general area over here, say, and matching your maps up. Okay. Like or you could print a map out and just make notes. Okay. I'm seeing stuff approximately over here in this this size range is kind of this average price per acre in this price per acre.

Joe: So, this is one of my burning questions. I've had this forever. And I know it's funny 'cause every time I answered I go, oh, that makes sense. And then two months later I'm like asking the same question again because I forgot. Yeah. Okay. So, you're looking at comps and you're looking at you want to make an offer on a 20 acre lot and you're looking at comps. You find sometimes two different comps there. You find investor comps, what investors are paying for. Yeah. And then what retail buyers are paying for it. Yeah, right. So, when you're making your offer. Yeah. Which of those two do you look at and how do you, do you just even make an offer even less than what investors are buying it for?

Dave: No. If you're looking at data tree and the data is available in that county, it's not always depends on if it's a disclosure state and all that. But let's just assume that sold data is available in data tree. I use and I can figure out. Yeah, that's I know that investor or that's probably an investor price. I look at that as being my offer price in that area. If I find some of those, I'm not going to offer below that. Okay. They paid that.



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But then I'm going to look at... In land it's so much different than houses because in houses what's really important are you're sold comps. In land, it's what's for sale right now because the data is not easily available. There's so many land transactions that transact until you get way up into the high-end properties. But there's so many land transactions that happen privately, they're quit claim to a family member and things like that, so you just don't have the comparable data.

Dave: So, it's really, what am I going to be competing against when I get this property and I need to sell it? So I'm going to look at the for sales and if there's enough data, I'm going to average them or do the media and I'm gonna throw out the high highs and the ridiculous lows and make an offer based on that 20 to 40 percent of the median price of the actives. Yeah. Yes. But you know, you're going to see stuff. And one of the things where Zillow is nice, as you can see, days on market and glean kind of an idea. You can also look at how many views those properties are getting at the certain price point and then how many saves they're getting. And there's not really a formula for it. It's just, the more you look at it, you kind of get a feel. That's where you have to spend a lot of time. And I call it easy chair time. You know, I'll do these kind of activities where I'm kind of researching on a Friday, Saturday night when I'm watching TV or something or watching sports, I'll do that kind of research.

Joe: This I think people would be interested in this. And I've been looking at a certain county in Oklahoma, Latimer County, as you might have. I share my screen if you are related to what we're talking about here. And I think this week and I know you all are listening to some of you are listening to the audio and I'll try to share what I'm saying here. Do you see this? My Zillow here I do. OK. I'm looking at Latimer County, Oklahoma, for sale, lots or land only. And more is 10 to 20 acres. And there's only seven here. I've sorted this low to high. So, I see a 10 acre for 19 grand, 20 acre a 10 acre for twenty, 10 for 24, which tells those are three decent solid know active comps. I'm just looking it out without looking at sold yet. What would you look at this? All right. Well, if I'm going to advertise a property that's a 10-acre lot in Latimer County, I need to price it at what?

Dave: Well, I would. Let's see you get that. You get 20 grand. Basically 20 grand for those two 10-acre properties, then. Twenty-four grand for the 20. OK. So, you're looking at an average of about 20. Yeah, I would shoot to want to sell it for, you know, 20 percent less than the lowest one. So, I probably look and it's, you know, trying to target at it. It's sixteen seventeen thousand bucks to sell it. Now. Cash, that would be your cash price. That would be my cash price. And then I'd want to work backwards from there and offer where I want my margin to be.

Joe: If you want to make 10 grand on it, you would offer six thousand dollars, you know, on a 10-acre lot. Right. Yeah. Okay. So, let's. I like that. You'd want to sell it for about 16 grand, which is really....



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Dave: The only thing there is. And you don't have a lot of data there. And it's the whole county, you know. So that's about the best you can do. Which was what we just did. Now, I would maybe check on Lands of America and see if you have some more data there, because Lands of America is going to give you the map. It's going to be better on big rural stuff. But I'll usually if there's enough data, I'll zoom into an area and make my and then and then what I'll do is in Data Tree, I'll make a polygon in about that area. And that'll be a list for that area. Then I'll combine the list and excel but I'll download them all separately.

Joe: It probably wasn't probably in pick the best county as an example either because it is a small county and I don't know why I picked it. Somebody told me one time how much they love Latimer County in Oklahoma.

Dave: So now you've got some solds on there.

Joe: So, these are solds from Zillow. I widened my search out to five to 50 acres and I don't want to spend too much time on this. But like when you're looking at if you're and I started this low to high and you see a five-acre lot here that sold for eighteen thousand five hundred. If I just got a quick calculator in two thousand five hundred divided by five, that's thirty-seven hundred in acre. Yeah. It's probably an investor who bought it. Maybe this was just three months ago. Four months ago.

Dave: Who knows. You've got a lot of variation still. I mean that's why. So, when you have enough data like that and it's spread out like that, that's when you want to just put it all in there and calculate the median price. That's one of the nice things that Price Boss does, is you can just scrape all that and paste it into a price box instead of doing them all at one time. But there's so many variations when you go county wide like that. You've got the different attributes. Does it have power? Does it have water and things like that?

Dave: So, you could spend time analyzing the heck out of all of it. You just have to know that if you can find it, get it in there, find a decent median price, make an offer on a percentage on that. Some people are gonna get it and be like these guys are out of their mind. I got water and everything. You're not gonna get those deals. Yeah. And then, you know, you send enough mail, you're gonna get you're gonna get deals, but you just can't spend too much time being, getting analysis paralysis.

Joe: That's an easy trap to get in. Like, I'm doing this with my two boys right now. I have a 16-year-old boy and a 14-year-old boy and they're wanting to get into real estate. And I like land for them because they don't have to talk to sellers. I mean, they're mature. They're great kids. No, I don't know if they have the maturity yet to talk and negotiate right houses with sellers. Maybe I'm underestimating them. But what we're doing is we're sending neutral letters and we have a reference letter on the top of the letter. And so,



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when they call, it goes right to voicemail. And the voicemail says, hey, thanks for calling. Please give us the reference number that's on the letter and we will send you an offer and that's it. So, they leave the reference number. We're getting about 10 percent response rate on our letters that are for that. And then my boys get that. And we're using REI Simple, which is a white labeled version of freedom soft that I have. And they go in and they do the research and they tell me what they think they should we should offer. And then I review that. And right now, I'm the bottleneck because they're waiting on me to send about 30 offers right now. That's right. So, it's going good. And, you know, we've done we've done already quite a few deals.

Dave: What's been your conversion rate after that? Ten, 10 percent set response rate's very high?

Joe: Well, I can tell you, because we made some, we made our offers were too high and we got too many accepted. So, let me just look real quick. We had a 10 percent response rate. So, we got, we sent out sixteen hundred letters and we got seven contracts. So that.

Dave: Yeah, it's very good these days. What are they? But were they too high? Did you have to walk them back?

Joe: You know what? They weren't. I mean, they were decent deals. They were good. But then after they said yes to our offer, I'm looking at thinking, oh, we could have offered half of this. We should have offered half of that. You know, or like sometimes, you know, by the time you send the offer, another property came active. That's less than what we were wanting to sell ours for. And that changes things, right? Yeah. Or I was planning on selling these for cash. And then I look at the comps closer and I realized, oh, some of these other guys, they're advertising that price for, on terms for owner financing. So, if I'm an ass, I don't know if I could sell it for cash because everybody who's selling land there in this particular county is selling it with owner financing. So, I don't, I'm just overthinking it over analyzing it. What if you were to train as a teenager, kid, boy. How do you? You got a property, you know. You know the location of that lot. And just. How would you train them to determine enough?

Dave: Teenage boy. Let's see, dad. OK, girls. Teach him how to comp it out. Yeah.

Joe: I've been using Zillow because that's easy for them to get into Zillow.

Dave: Yeah, I think you got to have them use Zillow and have them use, I think, Lands of America is a very good tool because it's got the map. See, we can zoom in and look at those properties. You got to take something into it. It also depends on price point, too, because of it. If it's in a price point where you've got



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some realtors in there playing, you know, I find that for the most part, anything that's listed by a realtor with land is usually on the high side. Yeah. So, you got to take that into account and you're going to have more realtor stuff on Zillow than you will on Lands of America, cuz Zillow's free.

Joe: What I've done is I've looked at what the actives are listed for on Zillow and I get an average price per square foot. And to get the value of the land, I take about 80 percent of that is what the land is probably worth. Sure. And then to when we make our offer, it's about 25 percent of that. So, if I'm trying to figure out what is this property worth, I take about the average or the median price per acre that the active listings. Multiply that by 80 percent. And then for our offer, we offer 25 percent of that.

Dave: That's a good method. I use a very similar method. OK. I use median instead of the average. But if you're manually knocking off the ridiculous highs and the ridiculous lows, the average will be, you know, very close to what the median is.

Joe: OK. But when I was looking at solds, what always through me, though, is when we're looking at sold comps. I hope we're not diving too deep in the weeds because some of you guys are listening to this thing. What are they talking about? Well, let's take another 30 seconds, and... All right. We're going to talk about Facebook and we're getting people here that are saying good stuff. Thank you, Ken and Victor saying offer low and then go high. You're absolutely right. OK. So, when I look at solds before, I was combining all the solds in and I realized and then I was doing a twenty five percent of that. And I think sometimes I was offering way too low. And because I knew the investors were offering, let's say a thousand dollars an acre, because I knew those were investors that were buying those properties, but I was going in and offering 250 dollars an acre because that's twenty five percent of that. But I probably should've been offering closer to what those investors were offering on those properties, don't you think?

Dave: Yeah. If you're if you're seeing comps where you know that they were investors, then you've got to take that into account. They're already buying it at what? You know, the intended margin that you want to buy it at. You can hope. You hope. Oh yeah.

Joe: I think that clarifies things a little bit more than I too like Data Tree. It's not cheap, but I found it to be really, really good, especially when you're looking for for land. All right.

Dave: So, you could caveat that. I mean, it's not cheap, but if you're mailing every month, you know, it's not actually a subscription. You're just pre buying your data. Now, if you don't buy any data and mail, then it's a cost. Yeah. But if you're mailing it, there's no additional cost to it.



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Joe: The good thing about data tree that I've found better than like less source or those is it allows you to search better for improved values. In other words, like you can't go to the source for whatever silly reason and say, show me all the properties, anything, houses or land that has zero improved value. An improved value is a lot with anything built on it. And I've actually talked to the guys at this source about that and they said, well, if you we will leave that out intentionally so you'll get the higher end real quest, you know, real quest subscription thing. All right. So, you can't. But the data tree allows you to search better for zero improved value on a property and also lets you search for unknown things, which is something good that I like to look forward to. You know, if there if there's if the mortgage amount is unknown, that usually means there isn't a mortgage. Right. So anyway. OK. Dave, you've done a hundred and fifty something land deals. Is that what you said.

Dave: Something like that. Yeah. That's awesome.

Joe: Let's talk about Facebook. How do you use Facebook? Do you find sellers on Facebook or buyers or what?

Dave: You know, I have not tried to find sellers yet, but I believe I've heard of some people doing it. And I think there is some possibility to do that. But for buyers, yeah, I mean, you advertise in the marketplace and on various buy sell groups and it's all free. It just takes labor. And typically, you know, you set up your schedules, set up your plan, set up your copyright and then have a virtual assistant place all the ads, reply to the comments. I haven't found nor have I heard anybody really being very successful with paid advertising for land on Facebook. But certainly, I think Marketplace is replacing Craigslist for sure. You know, makes me sad in one way. I mean, Craigslist, actually, I used to get lots of leads off Craigslist. Craigslist used to be fantastic, but they just started changing their algorithms and making it harder and harder to do what we do. And it just became such a hassle. A few months ago, I actually just quit Craigslist.

Dave: But I think the quality of leads is still a little better than on Facebook. Facebook, you've got this big funnel and you got a lot of top of funnel leads in there because it's so easy. It's one click people is growing, one click. Is this available? And 90 percent of the time they're not really interested. But there's so much volume. There's so many people on Facebook that, you know, it's resulting in in sales. You just you're your lead to sale ratio is very low, but there's a lot of people on it. And so I just have a I just have links with the landing page that I just have my VA go in and respond to the messenger messages and just pop the link to a landing page in there and really don't even engage.

Joe: So, will Facebook Marketplace lets you put a link to your property listing in the listing itself? Like to a Web site that lets you put a map link in there?



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Dave: You know, it keeps changing. And my visa has been doing it. So, I got to tell you, I don't remember. I haven't posted an ad myself in so long. But, you know, they'll usually people will just reply via messenger and then then we'll pop up a link to a landing page in there. So, we capture their name and their email address and then it lets them on to the to see the property on our Web site. And then. So, you know, if they don't engage further, you know, they're in our funnel and they may have been interested, they may have been playing around. But at least you get to keep people in there and keep them on your mailing list. I mean, I've sold properties to people. Couple of years later, after the you know, maybe they saw something and it wasn't quite right and or they weren't quite ready. And then a couple of years later, they got a newsletter and bought a property.

Joe: So, when they when you are advertising on a piece of land there, when somebody's messages you, you can send them a link to your listing Web site. Yeah. To get more information, right? Yeah. Yeah. What's the easiest way to search for links? I'm on Facebook Marketplace right now and I can share my screen if you want, but it's all mixed together with houses, isn't it?

Dave: Yeah. You can put keywords in the search like acres, land, things like that in the in the sidebar search and.

Joe: Okay. There you go. And let me just get the moment here, my screen again and I can show people an example of what we're talking about. Okay, cool. You see this? What I did is I just went to Oklahoma City, Oklahoma, within a hundred miles. That's the biggest radius you can get. And I went to home sales and then I searched for land up here. And these are probably investors maybe that are advertising this land like this lot here. I love how Oklahoma has the red soil like that. Yeah. Okay. So anyway, this is only within a hundred miles of Oklahoma City. You might have some property that's more rural than that. But this guy's interesting. He has a YouTube video there that you don't know if this is listed with a realtor or a private investor doing land lookout. Is that what it says? Yeah. So, this this is an investor that lives in Phoenix who's advertising his property and his company, whose Facebook page is called Land Lookout. That's interesting. Yeah. And he's a member of some land flipping groups, which tells you right there. That's interesting, too, isn't it? Yeah. So, this seller information, is this a personal profile or a business page?

Dave: Do you know that looks like a business page and Facebook. Few months ago. Relax the rules and they don't. I know it was in groups and I can't remember if it was in marketplace, but they wouldn't allow you to post as a business or a group. They would only allow you to post as an individual. But now you can. And groups, it's up to the individual who runs the group as to whether they want to accept a business or group in versus an individual. But most do.



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Joe: Now, this is interesting. This is marketplace listings. He has nine of them and three, there's only three different lots there. It looks like he just has repeated them maybe or something. But then he also has here. This is interesting. Buy and sell group listings. What does that mean? Do you know?

Dave: Good question. I know. I know what they would be. So, if there's marketplace listings and it's just that guy, it's his ads that he's got on various groups versus marketplace.

Joe: Okay. Now this looks like this doesn't look like a business page that looks like a personal profile that he created called Land Lookout. Could be. That's interesting. So, and his Web site here is Land Lookout, dot com. So, you could create a personal profile for your land investing business. Maybe.

Dave: Yeah, you could go to mine if you want. Yeah. What is yours? Mile-High rural land.

Joe: Mile-High rural land. So, this is a this looks like a page, right? Yeah.

Dave: That's my business page. It's not a group and it looks very much like a personal page as well. Okay, cool.

Joe: And this is when you put a post here for a property. Yeah. This is cool. Okay. And then when you post a property into the Facebook marketplace, is this the profile that they see or is it. Is it your personal name?

Dave: It depends. Sometimes it'll be the company and sometimes it'll be the more and more it's the company because they loosened up on that. You want to mix it up a little bit. Just there's different ways to create engagement without going too deep. But we mostly do it from the page. Especially in marketplace. But in some groups, like I said, some groups still, I think probably from Legacy, they don't they don't allow groups to come or a business to come in. So, we post under Dave Van Steenkiste.

Joe: This is cool. You have a form here on your page where people can join your buyers list. Yeah, that's going that integrates with Mailchimp. Yeah. What are some of the... I'll stop sharing the screen here? This is really interesting. What are some of the tools that you like to use for your business?

Dave: Overall, yeah. So of course, I start with Podio and that that is more that's really a business management, the land speed built on Podio which it manages the entire process. But when leads come in, they go into Podio, they captured in the Podio land speed and then land speed matches them up automatically with the right property that's in my inventory and then it pushes it over to my true CRM, which I use is HubSpot. And HubSpot is wonderful as it's the free version, does everything you need in this



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business. So, we'll use that for corresponding with our sellers, our buyers. And it also integrates with a lot of phone systems, too. So, you can have all the history of communication in there. And then for the newsletter and for our drip campaigns, we use a program called Mailer Lite. There is no MailChimp and the others as well. But we have we use Mailer Lite for that. You know, for anybody who's just starting out, Mailer Lite is free up to a thousand subscribers and then it goes to \$10 a month. So, it's pretty cheap and it works very well. And you could set up a lot of automations and so use that.

Dave: And then I use a program called Telegram for, you know, real time communication with my team. I love it because it's a very secure platform. It runs on your desktop, whether you're running a Mac or a P.C. and it and all it's completely emulated on your phone, whether it's Android or iOS. So that works pretty nicely. And then, of course, G suite Google, we use a lot of, you know, Google Sheets and whatnot. And, you know, G-mail also integrates nicely with HubSpot. So, you don't have to actually be in the CRM to send and receive emails. You can just connect your email to the CRM works really nice course data tree. It's one of my favorite tools, both for building the lists and also for doing due diligence and comps. Those are kind of the top ones. There's a lot of different phone systems out there that are that are really good. You know, take your pick of the VoIP systems. They're all pretty similar, something that I haven't done yet that I am wanting to do, and that is to integrate a text messaging system to HubSpot as well. So, I'm looking into that because texting, I've done a lot of deals by text. You know, people who don't want to get on the phone or it's late at night will text back and forth. But then you don't capture the conversations if it's on your phone. And so, it's nice to have that integrated with that.

Joe: What's your CRM? I should show you what we're doing in REI simple because that's all handled in there as well. But. OK. Cool. I wanted to actually show Facebook again here because that's what we were kind of talking about in this. And you see my screen here. I went to get him in Oklahoma City Center. One-hundred-mile radius doing a search for land. I also said only show me the properties under 50000 thousand. And can you show me maybe an example of a good ad and a bad, poor ad like this one? What do you think of this?

Dave: Well, I wouldn't use that as my lead photo. You know, you want to use an attractive photo as your lead photo, even if you know everybody does it. We do it to where, you know, you haven't gotten your photographer out to a property yet. And but you've got it's you want to go ahead and list it. And I've many times actually sold properties with screenshots before my photographer got back. But I would not, you know, use that as a I would I would use something, even if it's a screenshot, do like a Google Street view and get a nice photo of that's exemplary of the area. And so, you're not lying. You're not fibbing. It's nearby. And I'll sometimes actually meme the photos and I'll put nearby photo. Makes me feel better.



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Joe: So, it actually looks like they printed something off of a software onto a color piece of paper. Yeah. Something in color. And then took a picture of it and it's fuzzy. It's not even, it's blurry. It's not even.

Dave: I mean I might include that in my photo gallery but I wouldn't use it for my lead photo for sure. You want something that's shot, that's oh that's beautiful. Let's click on that. Oh, that's nice. So that's beautiful.

Joe: Here's a here's a light with a power line in it. I think that was probably intentional. Yeah. And twenty-nine thousand one hundred and sixty five dollars. 2.7 acres. Owner finance. I'm guessing that this guy is going to get some calls because he... What do you like about these properties? I'm showing you here with pictures and the....

Dave: Well, I like the fact that it's got trees, it's got power. You know, it looks nice and flat to where it's buildable. You know, it looks accessible because, I mean, I can see a one of those photos. I could see a road, you know. So, looks like it's got good access. It's got, you know, the nice attributes, accessibility, power. You know, that's all a plus. Now if it didn't have power that doesn't mean it's a bad property. It's just gonna be a little different price point.

Joe: Would you guess if this was an if this is a property you were selling for twenty-nine thousand dollars, how much would you have bought it for?

Dave: If that's my cash price, I'd pay, it depends how confident I am on that price. But if I'm looking at it and my comps were all 20 percent higher than that. So really confident and be able to get that price. And I know there's a lot of activity in the area. So, there's actually deals being done. You know, then I pay 10, maybe 12 for that. Yeah, I love it. Yeah. It also depends if I you know, if it's an area that I've worked before, I'll be more aggressive on my pricing. If I've worked in area before and I know what I can sell stuff for. But if it's a new area, it might be a little bit guarded about my offer and offer a little less.

Joe: I am looking here. He's probably if he's charging, whoever the owner is, he or she sorry, if they're charging 10 percent interest, they're probably collecting 240 hundred and forty dollars a month on interest only payments. If they're doing principal and interest over five years in prime payments, probably gonna be about three hundred bucks a month for this property. Would you say it's about right?

Dave: I can't read. What are they asking for, a down payment?

Joe: Well, it doesn't say, OK, here it is. Here it is. 15 hundred down. Wow. 15 years payment, 350 a month. So, I said three hundred. So about 350 a month. Sounds about right. That's pretty that's pretty awesome.



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You know, you can always go into and find out if you had some my data tree could find out what he actually did pay for it. Which leads me to another question, Dave, and I want to ask you about a couple of more ads here. But real quick, do you ever start advertising the property before you actually close on it or do you wait until you close on it before you start marketing it?

Dave: All the time. I market it as soon as I know. If it's if it's a deal we're closing through title, which this one would be if I'm paying, you know, ten thousand bucks for it. But I'm assuming if they're only asking fifteen hundred dollars down, I'm assuming they probably, 350 a month they probably paid in less than six or seven thousand for that but so they sell it on terms to that price. That's a really nice deal. But I'm sorry what did you ask me again?

Joe: Do you advertise the properties before you buy?

Dave: Yeah, all the time. OK, absolutely. If I'm closing through title and it's only a 30 day. I'll get it up there as soon as I can't, even if I have screenshots. And there are times depending on the property, I've had it sold before and I've had it under contract before I closed on it in 30 days. And then if it's property, I'm not very sure of. You know, I may ask for 120 days to close and pre-market it.

Joe: Our standard to close is 90 days. Yeah. And with automatic extensions until we cancel. Yeah.

Dave: Now I never got I mean, I've done a lot of deals that was like an option, but I just do a long closing period. And it's interesting though, I never got burned on one until last fall, I got burned on two in a row, burned, meaning the seller decided not to close with me, one I know for sure he sold it to somebody else. If you say you're under contract, I mean, I put one hundred dollars earnest money to the title. It's not. You know, what am I going to do is spend thousands of dollars going after him with an attorney. You're not going to do it. It's the risk you take on a long closing. And so, anyway, I lost two deals in a row in the same area, and those were easy 20 thousand. I had them sold like I'm sold. Then I went back to the seller and they renege. They were \$10000 profit each.

Joe: Could you have filed something to cloud the title?

Dave: Yes, you can do that. And so that's something you could do with an option if you do. So that's what an option comes in. If you do a memorandum of option and then go file it with the county. That works better than a long close.



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Joe: I've done that before with something called an affidavit of interest. Yep. Saying, hey, there's. So, you have to talk to a local title company about the best way to do that.

Dave: Yes. And I had done it so many times just loosely and never had a problem. But I'm going to do it from now on. But if it's a home run deal, if you know it's a home run deal or not a home, but a great deal. Just take it down. Just buy it. If you don't the money partner with a with a money partner and buy it.

Joe: That leads me to another question I want to ask you. Where do you find, do you ever run out of money where like, you've just you know, you've just purchased too many properties recently and they're all being sold or they're in the process of being sold or there's buyers paying you money on it every month. But like a lot of money right now. So, like, where do you do it? You talk to your friends, family. Are there companies that will lend money on land?

Dave: Yeah, there's guys out there now that will partner with you as an equity partner. In fact, we're offering a new service. We are called 201 funding. And it's and we have a partner in it. But people can come to us, contact me, and I can get you connected. We're actually just getting the website up. But 201 funding or you can contact land MBA. Our coaching program.

Joe: And. Well, let's talk about that. How can people get a hold of you?

Dave: They're going to hold me through Facebook. Dave Van Steenkiste or Mile-High Rural Land or Land MBA and the writing for the screen here.

Joe: OK, and how does that look? Mile-High Rural Land dot com crash your website where you sell your land and land MBNA dot com. This is a new program we're putting together, is that right?

Dave: Yeah. Yeah. And at that, the land MBA site will be up in the next couple of weeks. It's under construction right now.

Joe: Good. It's coming. And they want more information on this funding. The funding 201 or something. Is that what you called it? Yeah. And how does that work? Have you determined those terms yet?

Dave: So, there's two programs. If you are more established in the game and you've got your own marketing, you're marketing yourself and you just need funding. And then we're gonna we will fund it and close it for you and we'll close it in our name. You go ahead and sell it. And then when it gets sold, the funds will get distributed to accordingly. So, it's an it's an equity partnership. It's not a loan. And then and if



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you're doing that, it's a certain percentage you get. It's better than anybody else is giving. You're getting 60 percent. We're taking 40 percent. Our partner is. And then if you want to do what we call sort of the bird dog model where you're new in the game and you just don't have time, you've been able to figure out how to mail and how to get properties under contract. But you haven't been able to set up the Web site. You maybe don't have the resources to hire somebody to do sales for, you know, in time you can call people as after work or on the weekends. Then we have a 40/60 to where you bring the deal. We close that, we market it and sell it, pay you out 40 percent of the profit at the end of the day. The other thing we'll do differently than any of the other funders out there in land is we will do terms deals. We'll put it in our... We'll manage it and send you a check every month.

Joe: Yes. Cool. It reminds me of another question, too. What software are you using for your payments? Owner finance geek pay. Yes, just great. G.E.E.K. like a geek. Nerd geek pay. Check that out. Mark Podolsk owns that company. He's been on this podcast before.

Dave: Yeah. It's you know, there's other solutions out there. But hey, it's a system created by a land investor for land investors. It's priced well. It works great. I've used it for about four years. It's fantastic.

Joe: Very good. All right, Dave, sure appreciate you having me on the show. You're talking about land investing, talking about how it's working for you and your business, talking a little bit about Facebook. I wish we could have drove more in to how you talk about Facebook in your land MBA program that's coming out soon. Laughs I know, I know. Dave's a good guy who spent time with me on the phone helping me answering questions that I have. And I just wanted to return him the favor and get him on the podcast. He's one of the good guys in the business. He's actually doing deals and he. Loves helping people, and I hope you can see that here in the podcast. I appreciate that very much, Dave, for being on.

Dave: Absolutely, Will. Thank you. And I hope to return the favor and have you on our new podcast when it launches in April.

Joe: Let's do it now. That'd be cool. Mile-High Rural Land dot com is your company website land M.B.A. Dot com is coming out real soon. And people can find you on Facebook? Is that right?

Dave: Yeah. Dave VanSteenkiste or Mile-High Rural Land?

Joe: Now, if you're listening to this podcast right now on AUDIO, we're going to if you go to real estate investing mastery, dot com real estate investing mastery dot com and look up, Dave, in the search bar, you'll find this episode and you'll see how to spell Dave's name. Okay. But I want to tell you and you'll also



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get, by the way, a transcript of this podcast so you can read the whole transcript if you want and see the video of the stuff that we showed you by going to our podcast website. But his last name, Dave's last name is v-a-n-s-t-e-e-n-k-i-s-t-e.

Joe: Got it right. All right. And we got a bunch of comments here. I didn't even show these things, but I appreciate you all here from Blun Nation Films from Greenville, South Carolina. Thomas from South Carolina. Nice. Steven in New Jersey. Ralph in Louisiana. Matt, Matt from Ohio is in the house. I know who you are, Matt. Eric, three frog. I know that name, but it is from Clarksburg, Maryland. Rochelle is here. Victor from Texas. What's going on? And oh, Ken here is saying good stuff. Some people are telling me they want me to do a mind map of how I'm doing my land investing business. Maybe someday I will, maybe someday I will. It would be interesting. I do too many mind maps.

Joe: I have like a mind map overload. Hey, thanks again, Dave. Everybody go to Real Estate Investing Mastery podcast and subscribe go to Apple podcasts, Google podcasts, Spotify, whatever. You listen to this on and please subscribe to the show. I'd really appreciate it. We'll see you. Dave, thanks again. Very good, adios. Bye bye.