



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

1297 – Go From \$7000 to SEVEN Figures Flipping Vacant Land!

Hosted by: Joe McCall

Guest: Sumner Healey

Joe:

Hey welcome Joe McCall, Real Estate Investing Mastery podcast. How would you like to learn how to go from 7K to seven figures? Does that sound spammy? Well, maybe it does. I don't know, I don't care, but it's true. And we've got a special guest today talking about his journey from \$7,000 to seven figures. If you translate that and you do the math in your head, that's over \$1 million. Not too bad, right? But is it all rose colored glasses and flower petals and easy peasy lemon squeezy. We're going to find out. We're going to talk today to a guy named Sumner Healey. And I just found this guy on YouTube. He's doing really some awesome things on YouTube. And I thought, let's get him on the podcast. And this is actually the first time I've met him. He seems like a nice guy. We'll find out. And I'm sure he is. I know he is. He's got a good reputation in the industry he's doing. Here's what I like about Sumner. If you go watch his YouTube channel, he's doing what he teaches and he teaches what he does, right. He's open book and he's doing deals. It's hard to find people or isn't it, in real estate that are actually doing what they teach and teaching what they actually do. So there's, you know, we'll find out today. I'm gonna ask him a lot of questions about what he's doing. But there's no secrets in this business, right. Like, Sumner is a good guy. I think he's living somewhere really cool. Not in the United States. I may be wrong. We'll find out here in a minute, but, uh, it's going to be a great little podcast talking about, like. Okay, Sumner, if you were to start all over again, what would you do? How did you go from \$7,000 to something over \$1 million doing vacant land? Is it really that hard? Is it that easy? And the market is changing a little bit, isn't it? And so we're going to be talking about these kinds of things because you need to be prepared. If the market is changing, which way is it changing? What are the directions it's going in and how can we best prepare ourselves for that as well. So we're going to be talking about that. But real quick, this podcast video is brought to you by Simple Land kit.com. Go there. Right now it is my Land Flippers tool kit you get for free. It costs you \$0, and if you're not happy and you don't like it, I'll refund your money. But that's simple land kit.com you're going to get my contracts, my scripts, my checklist, my direct mail swipe file, how I talk to agents, what I say to them. You're even going to get a software I created where I show you in the software. It actually it analyzes deals for you, put in some inputs and analyzes a deal. It gives you three different options for what you could, what the property might be worth and what you should offer. It's pretty cool, I love it. And then when you click submit at the very end, it gives you the



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

actual contracts. The ones I use that you can send to the seller. It even gives you an email that you can send to the realtor if you wanted. Uh, and one of the things that it does, that's not a lot of people do. I used to do this a lot more in houses starting to do it more. Vacant land now is to give the seller options, here's a cash offer, here's an owner financing offer. And I'd be curious if somebody has ever done that either. But like maybe giving the seller a little higher price, a little higher price, if they would be willing to carry back some of the financing. So anyway, go check it out is simple land kit.com it's yours completely free and go there right now because I might change my mind. I might soon say, you know what, I'm going to start charging for this thing. And I keep on wrestling with my team on whether we should or not. So also, real quick, if you're watching this on YouTube, please subscribe to the channel, give me a thumbs up and I want to see some comments down below. Let me know what you think of this stuff. I'd like to know if questions that you have for Sumner. Questions for me. I'm in there all the time answering comments. Also, let me know what else you'd like to see on my channel. I've been putting a lot of time. I just had breakfast this morning with my camera guy and we're planning, uh, two days a month. Now we're going to be filming more content where I might be at the guy on the golf course. I might be in the, um, in the virtual golf simulator, and he's going to be we're going to be talking and we're going to be going to properties. I'm going to show you some of the original deals that I did. We're going to drive to them and see them, and I'm going to be teaching more content from a video guy, like actually filming me, and I'm going to be mic'ed up and all that kind of crazy stuff. So I'd like to know from you what kind of content do you like, what would you like to see more of and stuff like that. And finally, one more thing. If you're listening to the audio version of a podcast, glad you guys are here. Please subscribe to this channel, subscribe to my podcast, leave me a review and a comment I appreciate that. Okay, cool. Can we bring Sumner on finally, please? Sumner Healey, how are you?

Sumner: Oh good man. That was a heck of an intro. That was awesome. That was good, I liked it. I will say I'm not anywhere too exciting right now. I spent six months out of the year in Vegas, so I'm in Las Vegas.

Joe: You're in Vegas right now. Okay, so where do you spend the rest of your time?

Sumner: So I was living in San Diego. I was looking for all the tax hacks, and I was like, I just got to move four hours east. Tesla has the best hack. Moved to Nevada that the six months a year here in San Diego traveling around. Just got back from Costa Rica. So I try to do a good bit of traveling.

Joe: So you were in Costa Rica, but you're just there for a few weeks or months?



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

- Sumner:** Yeah. Two weeks. We had our live event here in Vegas. I wanted to decompress, went to Costa Rica. I was to actually look at some projects down there. I got a little spooked, like everything's for sale. There's a lot of really interesting land development opportunities going on. So the expats and stuff like that, but it just felt like a bubble, like literally I'm driving on. Every road and there's just for sale signs on everything really are these locals are just, you know, pricing things to the moon and beyond. But there's a huge opportunity. I think maybe now's not the time, but not taking the direct to owner stuff that we do and applying that to other countries. But the value add stuff, I do think it's applicable elsewhere. But when I play, said Costa Rica, all cash markets, there's like hardly any lending. There's no off market, everything's on market was very negotiable. So kind of interesting.
- Joe:** What's the, um what's the rental market like? Like Airbnb. Can you read nice places that are furnished and live and work. How's the internet and all that good stuff?
- Sumner:** Yeah, yeah, it is pretty developed in terms of Central America. It's probably one of the more developed areas at all. This is probably a little too like Western for me. I like to get off the beaten path. I had gone down there when I was a kid and coming back home, I think this place has changed, man. I mean, a house could be a hundred K to a million bucks where we were. Yeah. Not cheap. Um, but you can get great Airbnbs. And we were staying in spots for 150 a night that were super cool. Pools, kind of jungle vibe, great internet.
- Joe:** So definitely a good place to have on the beach. How close for you to the beach?
- Sumner:** Yeah, so we started it like Central in Costa Rica, going to all the volcanoes. I'm a sucker for volcanoes. I always tell people if I wasn't a land ambassador, I'd be a volcanologist. I just love wow. Uh, so we're driving through there. We went to our Reno and homes. I think if I'm pronouncing that wrong. What, the Tamarindo or some of the Pacific side. So that's a coastal town. Kind of a tourist trap on this. I don't know if I would recommend going unless you like, like the resort style vacation, but I want to get out there and be in the middle of nowhere an adventure. Uh, so that was fun. We went to the dirt bike. My girlfriend and I, we did like a 70 mile dirt bike ride. One of the days up along the coast, all dirt. Wow. That was probably the highlight. But yeah, man. Super fun. I will say this was the year. I mean, I've been kind of delaying gratification for a long time. I always tell people I've been putting life saving dollars into my life account, just like chipping away. And this year I'm like, you know, I'm going to cash in on some of that. I don't know the exact amount. Probably took 15 or 16 trips this year. I will say the Nomad stuff is overrated in my opinion. You can travel and like do the bare minimum, but if you're in a state where you're trying to progress and be proactive, it's just we're slowing down the travel next year.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Joe: Okay, cool. Now where is your YouTube channel? What? How can people find you?

Sumner: Yeah. Thank you. Just type my name somewhere here you'll find that I don't even know what the real YouTube channel is. But if you type in some, just type in some, or you'll probably find it somewhere there. I think we started that summer of last year is a 2022. We made 1500 videos. Holy sign the volume game. But I think quantity informs quality. So I'll be like, I just started off and I sucked. I was trying to make a lot to get better. So you'll find some of them.

Joe: So what do you do on your YouTube channel? What are some of the things you like to talk about?

Sumner: Yeah, I do, I mean it started kind of as like, uh, there's a way to document I won't bore you with all the details, but last year I kind of had, uh, early midlife crisis, I guess, to some. And to some extent, I've been in the business since 2019, and I've been building businesses since I was, since I was young. And they kind of have, like, that classic lemonade stand story. There are always arbitrage businesses, though. I just was always looking for the hack. I was writing books and anything I could arbitrage. I was getting my hands on them. So I've always been in flipping business and they're good for cash flow. They're terrible for fulfillment. Right. And so I, I definitely really fell in love with the land business, really connected. And the whole reason as to why that is. But after being in it for whatever, three years. So if I die and I just like on my tombstone, this guy just flipped a lot of land or knew how to arbitrage dirt, I start very cool. So I started documenting and I'm yeah, I'm not Mother Teresa, but let me just use some of the skills I've learned in the process and share. And then one thing leads. So next start taking coaching clients and yada yada yada yada. The rest is history. So again, I mean, I still think there's a lot more for me to do on the fulfillment side of things. But I will say like with no high probably it's actually it's really changed my life in terms of just my day to day existence. It's also made me a better land investor because I've got to be on the cutting edge and think about can take care of the hundreds of folks inside the community and giving them information that's not wasn't working two years ago, but it's working today. And I think when you come from a place of teaching, it's like, so what is this the best way to learn to it? It's just it's frankly, it's made me a much better land investor. It's probably passionate about the business.

Joe: Totally. I learned more from my students. Um, I learned some of my best things, stuff for my students. Because, yeah, it's just important to stay on the cutting edge.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

- Sumner:** When it's so much data. And you got there, right? If you if you have hundreds of people executing on your strategies and you get feedback from that side, do you? I learned way more than I could on my own. So I totally agree.
- Joe:** All right. So talk about your little journey into this. Um, you got started land investing into 2019. So four years ago you started with 7K, \$7,000. So what did you do?
- Sumner:** Yeah. And frankly, I think that's a little clickbaity I forget the exact numbers, some 7000, some odd dollars. And now I had a little bit more on my bank account. That's why it set aside. I said, you know what, I'm going to split test this thing. I'm going to start this amount and I'll see if it works. I'll keep on going with it. And like I was saying in the week of the pre call with you, at that time I'd been interested in real estate. I real estate strategies. Wholesaling was kind of the thing on my mind. I was going down the YouTube wormhole. I'd watch some of your videos. So this is very, very full circle. And that was even before 2019. Before that, I had a few different odd, odd businesses here and there. I did an internship for Raytheon. I thought, maybe I'll try this corporate thing I came back to. I moved back to San Diego and started knocking on doors. You know, I could flip houses or wholesale houses. And I started looking up online for tax delinquent lists for houses in San Diego. And you probably know this, this tax liquid list are always different. Every county. Some are really easy to get. Some mortgage payment to get one in San Diego was a pain. The but hey look can a CD-Rom or something like that. And so I found and oh go what's the Elko County Nevada. They had it hosted online for free, just a PDF or CSV that I downloaded and started handwriting notes. My girlfriend and I after work, I would just handwrite notes, would probably send a couple hundred, nothing too sizable over a couple of weeks and start to get my first calls back. We didn't actually get a deal from that campaign, but the fact that was getting calls back from it was stunning. To spent the last six months door knocking with no traction. I'd done a little bit of handwriting for letters for that. Zero traction.
- Joe:** Who did you learn that from?
- Sumner:** I did it well, yes, I did, and I did it. So I was I was kind of a school of hard knocks guy. I wasn't dogmatic in terms like choosing one person in terms of the educating. So I listened to a Jack Bosch podcast that was on, I want to say Biggerpockets is a couple years old. I watched probably every Land Academy video, like literally there's a lot of them. I was in, uh, the Facebook group for Land Geek, and I was just kind of sticking these things together right at that point. I wasn't even creating offers, though. I was just neutral letter my name somewhere because my pretty girlfriend, I want to buy a property like my bill. It's interesting. Give me a call. And so I didn't get I didn't get any deals from that, but I did get



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

phone calls. I got really close to closing a deal, fell apart. I didn't know how to value it. I was just really stuck on my whatever. It was 500 an acre or something like that for this five acre. But it worked enough to say, let me go explore a little bit further. And so I actually went and use click to mail and drop some campaigns. And I prop, which is just west of where I am today. It's in Nye County, Nevada and got my first deal and the rest was history is a little by for, I don't know, 1100 or 1200 little infill lot. And Providence sold it for like 3200 a couple weeks later on Facebook. And I was hooked that.

Joe: When did you start making real good money doing it?

Sumner: Yeah, it's a for a while. So I started in 2019. I didn't really go super full time until January 2021, so I was working a job at that time. I was really scared to leave my first calendar year. So 2020 we did 60 some idealistic 62 deals, six figures and profit, but nothing like super sizable. But I was just a little Nancy. I was just scared. I'm like, I got to wait, no way. Got away. And the opportunity costs got so high with that job that I realized, what the hell am I doing? I'm making \$3,500 a month here, and I've made more than my salary last 12 months for the brand new business. So I went all in 2021. Business went crazy. We did well over seven figures that year. Our business has gone through a lot of iterations though, so when I first started in this business, I was an opportunist. 2000, 2018, 2000 where I had no idea what I was doing, I would buy anything that came my way. I was not dogmatic with the markets I was working. Just give me a lead and I'll find a way to make money on it, which certainly then doesn't serve me at all. So I started going to say, you know, I need a little more of like a strategy for this business. And so I went down the wormhole, the land geek stuff. And 2021, we built up a notice portfolio that the 25, 30,000 a month. We did that in 12 months.

Joe: Whoa whoa whoa whoa, just wait a second. That's amazing. Yeah. 25 grand a month in notes, income from notes.

Sumner: And so I thought, yeah, it's actually a little it's a little different than that. So beginning of 2021 I was using joint venture money. And so I bought a few, uh, about 15 properties in North Carolina. It's very weird story. I put them in a package and sold them off to, like, this small private equity firm in Florida. I have no idea why they wanted to buy them, but we had them all tied up like 170. I think we sold them in, like, the high two, hundreds of low three hundreds. So that was pretty cool. But it was a lot of pain and I hated to manage other people's money. I'm like, I never want to use private money again or joint venture money. I was taking on anyone that had a little bit of money. I'd say like five grand. Yeah, we'll take you on and deliver the worst investors you could take. Guys. Guys wanted an update every hour for me, so I was so jaded by that experience. In April or May of that



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

year, I said, you know, I want to go build up a terms portfolio and live that passive income lifestyle. So really at that point I thought I had like 2500 a month of terms, uh, money coming in. So it was really from April to the end of December that we got up into that the 25 and is lumpy, right. Not everyone month is like on the dot the same.

Joe: So whose money? Whose money did you use to buy those lot. Was it your own?

Sumner: The note deals? Yeah. Yeah. So that was it. That was just taking the lump sum from 2020. And what I did at the beginning of 2021 and I walked away with no like high six mid six figures from all those deals combined I was living like a monk. You know, I was living a 400 square foot apartment. My burn was probably two grand a month. I was in of pushing everything back into the business and those notes deals that we did, I mean, I was buying the worst inventory you could buy, but I found ways to buy properties for 100 bucks, 200 bucks, and I would get my basis back in, like the down payment or a month or two. And so the cash conversion was really quick. Um, so I did that until the end of 2021. I realized the issue with that business model is if you want to grow, you need a big liquidity of that. Just for me to start that business, I needed what happened at the beginning, 2021 to happen again so I could grow from there because I did start running out of cash. Yeah. Which doesn't seem sustainable. If I want to build a team or scale marketing, I'm kind of painted in this corner as, okay, I need I need bigger deals to create what happened in 2021. And I went down the kind of the big deal route in quotes. And this is really what we teach inside it nowadays, what we call it mid-market deals. So 25 K to 250 K. These are the deals that have the highest concentration of buyers in my opinion, qualified buyers that can pay cash. Or could even get financing for a higher end. And they're big enough to support having deal finders come in or some kind of private money come in. Right. And so that was the year we did seven figures and that was 8020. Not at that point. Majority cash for the last year like 8020 majority finance. So that was a big year for us.

Joe: So are you still receiving income from those notes?

Sumner: Yeah our note portfolio is still growing. I mean we still add probably 750 K to \$1 million a year of new no value. So I think it's a 35, 40 grand a month right now. We don't really optimize for it, but.

Joe: That's really, really good. I mean, that covers your living expenses, obviously. Right. That covers, uh, maybe your operating expenses for your business probably covers marketing expenses for direct mail. Right? So like a lot of people listening to this estimate, they just want to make five, ten grand a month. They'd be they'd be happy with that. But what's fascinating to me is when you talk to people that have already passed that still not



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

satisfied, they still want more. So maybe you can answer this any way you want, but like, why not? Just like live in Costa Rica, kick back 25, 35 grand a month is really good. Why do you want more than that?

Sumner: Yeah, yes, it is a yes, a good question, a question I myself ask often. I think I have a huge fucking chip on my shoulder, to be honest, and I think I have for a multitude of reasons from my childhood. And this has been my outlet to learn who I am.

Joe: Well, you're competitive too, it seems like. Right. Like, yeah.

Sumner: Yeah. So it's never been about, I mean, honestly, like, there's never really been about the money. I still live a pretty simple lifestyle is definitely change from couple of years ago, but still relatively simple. I just love the game, dude. And I think that if I didn't have an outlet like this, I would have an existential crisis because the scariness of what life actually means if I'm not distracted is scarce. Kind of scary, like any human feels like that. Right? And so I'm not saying it's the healthiest habit, but it's just how it's manifested in my life. So I've never been I don't think I've ever been satisfied a day. I think I'm grateful, but I don't think I've ever. I don't know if I ever will be honest.

Joe: I just thought of this book by a guy name is a Pastor Rick Warren called Purpose Driven Life. Have you ever heard of that book? You should read it. It's a Christian book. I'll give you a warning, but it's very, very good.

Sumner: Yeah, I'll take a note of that. Rick Warren?

Joe: Yeah, I'll send you a link later. It's called the Purpose Driven life is really good. He wrote it 15, 20 and he's a pastor down in Southern California somewhere, and I, I was born and raised in the LA, San Diego area, so I'm very familiar with that part of the country. Okay. So you were selling these notes and you were you were doing this where you're buying little lots for 100 bucks, selling them for I'm going to guess 4 or 5000 bucks.

Sumner: Something like that. Yeah.

Joe: So you're with you're one of those guys. You're one of those. Okay. Because I have students all that and I don't go into those areas because. But I have students like Joe, how can I make any money on these lots? Because people are selling them for like 4 or \$5000. Now, I always say, well, do those are the guys that are buying them for a few hundred bucks, buying them for a thousand, selling them for 5000, and they're selling them on notes.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

They're just doing it for the 100, \$200 a month, \$50 a month for 4 or 5, you know, ten years or whatever it is. That kind of what you were doing?

Sumner: Yeah, yeah. In essence, and I think the only reason we were able to buy them at such steep discounts, I really do think steeper than the most. I'll just give us away here. I don't think it's the best strategy, but it's still it's still effective. It'll get you somewhere I got. This is not what I would do if I was starting over. But if you want this, you can take it. So what I would do is I'd go find all these defunct subdivisions. They're out there. I just the ones I just never really got off the ground. There's a lot in the southwest, but they're all over the US. Not so much in the Midwest, but you'll find them in the southeast as well. Sort of go for these different subdivisions. Uh, go categorize uh, by who owned the most in those subdivisions. For whatever reason comes their LLC. Sometimes they're just random owners that's just reported and collect these properties. And I would only go after portfolio deals. And so these guys had really no way to liquidate them. They rarely knew what they were actually worth. A lot of cases. They've never even been to these properties. There's no intrinsic connection to them. And so yeah, I remember I bought a third of a subdivision in Colorado, I think it's called Deer Valley Springs or something like that, said Alamosa. Someone here, I know what I'm talking about. Yeah, I bought like a third of the subdivision, like hundreds or not. Hundreds, dozens of properties. I think I bought it for 15 grand. We probably collectively we can't even count in the turnover of notes and reselling them and all that stuff. We probably made 300, 400 grand. Wow. We still have haven't use we haven't even all paid off. And so you can play that game. There's a couple issues with it that I have. One, it's a very slow moving game. These markets don't have a ton of liquidity. So the way we were able to move these were so aggressive on the Dispo side. My belief is nowadays I wanna be really aggressive on the acquisition side. If I'm working in great markets I'm buying great assets. This will kind of take care of it. So we have to stuff this down people's throats. I mean, generating hundreds of leads to sell one deal. I don't think it's the most ethical because we know a high percentage of people are going to churn year one, like 30 or 40% of them in some cases, and they're really hard to fund, right? So I couldn't really bring in. I could maybe get debt, but I don't want to go down that route. So it's a hard business to scale other people.

Joe: You can't necessarily hire a realtor to sell a \$20,000 lot for you.

Sumner: You know, and that's why there's opportunity though, right? Because the sellers like they're. Hands are literally tied. I mean, lands are already hard to sell. These things are damn near impossible unless you're offering terms.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

- Joe:** Interesting. I've often wondered what if you bought them on terms and sold them on terms?
- Sumner:** If you want to do that. I mean, you're scraping pennies at that point and like, I don't know, I'll tell you what we do now with owner financing. May we say now or save it for later?
- Joe:** Please go ahead. This is good. Okay.
- Sumner:** So yeah I've always been keen on how can we create value by owner financing from sellers. And so this is our first year really kind of embarking down that. I'm not the first person to create this by any means, but it's really easy. So we look for states that have subdivision exemptions. Right. There's 12 or 13 states out there that have like really easy like subdivide laws. There's like major minor subdivisions. And then there's just like the loophole that makes it very easy. So for example, taxes ten acres and above I in Wisconsin you can do ten acres and above with no survey. Like all these states out there, there's some that are very funny. The little hack is it's typically going to be a red state. Really. Red states have better land use. So go and find these properties. We are by cash subdividing them, flipping them. What we should be doing is just creating, uh, owner finance offers to the sellers and then essentially doing no raps or getting partial releases of owner financing, subdividing, selling off, you know, and that's really cool. Yeah.
- Joe:** That's interesting I like it.
- Sumner:** Okay. Yeah. We just did a deal, uh, on market actually in Texas, in Milam County. This is what's cool is that you can do these deals on market because we can still pay a premium, but our cash on cash is crazy. We did a deal. We bought it for 200 and some change 10% down 7%. Interest 20 year and five year balloon. We'll probably make 250 300 grand, but we're putting in a 20 grand to control the property. It's crazy.
- Joe:** That's interesting. So you're buying with owner financing, then you're going through all the work of subdividing it into smaller parcels, and you're selling them one off at a time with owner financing.
- Sumner:** Yeah. Where we can get a partial release and sell them for cash. It's either or. Whatever you want depends on what kind of market you're in. Uh, like, if I was in West Texas or somewhere that doesn't have much demand, I probably would have to sell them on notes. Or you can sell them cash. The key there though, and again, you could do this with more extreme subdivisions. But the key is to find the exemptions because it's as easy as getting a



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

survey. It's a walk in a park recorded with the county. And you're done looking for the loophole. And I really want to play off that.

Joe: Is that by state or by county?

Sumner: Yeah. So there's going to be state kind of whatever mandates or restrictions or whatever it may be. And then there will be differences county to county. So what that might look like is in Texas across the board, hey, ten acres and plus you're just doing a survey. That's it. But and one county might say hey to cut in a road it can be dirt or gravel. And the other county says if you want to cut in the road, it has to be so it can be slightly more interesting.

Joe: So then you're targeting the bigger lots, bigger property owners. You're sending direct mail. Is that what you're doing?

Sumner: I do a blend. I may direct mail and texting. Our direct mail has definitely changed this year. So like last year, yeah, we're 25,000, 30,000 mailers a month. Uh, we kind of flip flop that. So now we do about 75,000 tax a month or a little more lean and choosy with where we send mailings and markets that have proven themselves or will also go and take non-responders bad numbers, write attacks, email to them, kind of whittling down our texting.

Joe: How are you making that work right now? Yeah, because we had major changes the last few months.

Sumner: Major, major. So to my understanding, I'm not a TCPA lawyer. Those are those are being voted on in December and wouldn't go in effect until August. So I'm not advising. That's why I know many people haven't changed the language. I'm not one of them. We have changed your opt in language, so we are doing everything by the book. But one of the things I recommend for everyone here is have a separate LLC for your marketing, a separate LLC for where you hold properties just to kind of protect yourself. That's one of the first things that we do. Make sure you have a privacy policy on our website. There's a few things you got to do kind of be within the realm of being safe, but there's still risk. And it's this cost of doing business if you do get caught. But don't be an idiot. Don't not have opt out language or not. Take people off and they ask to be taken off. So the way we've had to change a lot of our process around it, the way I look at it. So back in the day through tax price was our pre qualifier. Right? I don't want to let everyone into our server. So we create price as a way to say yes no you're qualified or not pursuant to CRM. Now the way we look at it is if they're opting and they're saying yes, I do want to see this message. It's already a sign of pre-qualification. So we really opened up the range that we provide to them from low to high for offer. And so we will allow more people into the CRM that were previously



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

we wouldn't. Our KPIs haven't really changed much. Now we only have whatever less than 30 days of these changes, but leave those looking the same. And contracts haven't changed a whole lot. But we did have to change how we pre-qualify those leads. And one of the things that we do that I think might be a little bit different than some, is I train my team on pattern recognition because I know there's certain properties, whether they're rural subdivides or entitlement deals, wherever they may be, that I don't care what the seller's asking, but those into the CRM, no matter what, because those are a needle in a haystack. We want those.

Joe: So how does the conversation go on your initial text with the summit?

Sumner: Yeah, I mean, it's just it's usually open ended or referencing some, some letter that we've said previously a lot of these markets we've worked in before. So whether we just sent a letter or not at one point, we have. And so it's kind of like our foot in the door mostly. Right. And it gets a really high response rate nowadays. So there's that option language. Right. So they have to opt in and say yes I do.

Joe: Want to have to do that.

Sumner: First. Yeah. Yeah.

Joe: So your first text is hey can I text you?

Sumner: Yeah it's silly and get it. Well, it's killed our response rate, but we've still found, I say, hey, the ones that do respond, those people are warm. It's like someone that sends a letter back to your letter. I don't care what they're saying back. Doing that took effort. Let's sign up.

Joe: Okay, so is it like, hey, is this Jim? Do you own this 2.6 acre lot in XYZ County? Can I text you? Is that what it is?

Sumner: Yeah, yeah. It was. Yeah. The language of with launch control is more like. Yes to receive a text. And then our message goes out and something like, hey, Jim, we just sent the letter out. I just want to make sure. Are you the owner of X, y, z property of X, Y, Z Street, or APN number? Whatever it may be, they respond and say, why? Have you ever considered an offer for it? Says, yeah, I've been thinking about selling today. Did you have a number in mind? I wanted 40,000. Cool. Let me go check back with the team. Do you mind if I give you a call later today? And that's if the price makes sense. Right now, we're way out of out of being reasonable. I say, hey, Jim, you know what we're thinking? More like 20 to 40, whatever it may be. And then see what he says and then push it to zero or not. And if it's



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

like, hey, doesn't make sense to me right now, add to a drip. If we freaks out, then just remove them from the list. But even if they say no now, I'm going to add them to a drip because why not add it doesn't. It doesn't actually cost us or our daily text to a really aggressive our dripping. They have to tell me to screw off. I really never want to sell.

Joe: So you're using launch control? Yeah. Interesting. So you're registering your numbers in this new LLC that you have for marketing. I'm surprised launch control is still going on like I've been hearing from everybody. It's done. It's over. Forget texting doesn't work anymore.

Sumner: Yeah, I don't want I definitely don't want to play the expert. But what I will say launch control. Well, the reason that I use them is they're always on the cutting edge. So again, this stuff I could be wrong. It doesn't get voted on until December 13th. These actually these rules. A lot of these platforms are preemptively predicting that I will go through and making the changes around them. And logic tools are kind of spearheading that in my opinion. And if it does, if they if it does go through this, does it take us out until August of next year? I kind of could be wrong with the dates, but rough, rough outline. So I think the fact that they're making changes now to me is a positive. And I mean, they're run it's run by lawyers. I'm like, I think they know what they're doing. But there's always been a risk with text. Always. I think that that risk still is there. But we're talking about what, a \$5,000 fine or whatever, maybe per message. I mean, I don't know that it makes us enough money to say that that's okay in my book, but you still got to be careful.

Joe: Yeah. Sumner is not an attorney, so don't listen to anything that we're saying here. Do this all at your own risk. Okay? So you're targeting what you called the mid tier properties. I think you said, right between 25,000 and 200,000 is what you said.

Sumner: Yeah. So what we teach is a mid-market of 25,000 to 250,000. No. If you're brand spanking new to ambitious, that's where I encourage most people to go. We do market beyond that. But what I've found is as you start getting into the higher reaches, a price, you don't buy those things for \$0.50 on the dollar or even less. Right? So that's where you start. Have to employ that value add strategy. There's a whole bunch of things you can do. But when I buy those deals at 70 or \$0.80 on the dollar. So for a new investors that you're going to come in use joint venture money, flip 1 to 3 deals a month, make 20, 40, 50 grand, do that for a year or two, and then you start thinking about bigger. So for us it's, you know, probably 50 grand to a couple million bucks. I don't really I try to stay away from the lower reaches.

Joe: Okay, so let's say you got a deal in the 25 to \$50,000 range. How do you educate us a little bit and how you come up with an offer.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Sumner: Yeah, yeah. So I've, I've tried every kind of copying philosophy in the book. At least I think what I found is it's not a game of averages. It's not a game of having a high quantity of comps. It's a game of looking for that one needle in a haystack that tells us everything we need to know. So I have a little framework. We call it, uh, proximity features, recency. So I think everything real estate's local. I think if we have proximity, we typically have similar features or an adjacent comp with similar features, topography, access, whatever. Maybe means so much more than another five acre or two miles down the road. So what? I see a lot of people doing it. I'll go take averages for an area and there's so crossed over what things are worth. They say, show me these numbers. Like, what are you talking about? It's that one comp adjacent or down the road that tells you everything. We're just looking for that. I'll take that both on market and off market. If it's an off market, meaning sold, if it's on market, as in it's listed for sale, I'll apply a discount rate. So I might say, hey, look at most land sales at 70 or 80% is list price. So both on market and off market I can figure out roughly what a property is worth. I always go look at last sale date. So what are the owner buy it for? Look at last sale date for the adjacent properties are this is like this is I mean the thing with land there is no such opportunity here. Is the data so fragmented it's all discombobulated. And it's up to you to go find these disparate data point to put them together. So yeah, I mean we still we make mistakes here and there. If we get a property where we're really confused on, we will lean on a realtor. I try not to play that game. I see so many people. Using realtors is the bottleneck to get answers that they otherwise can figure out. Yeah.

Joe: Yeah. So let's say you see that you could sell this property for 50,000 bucks. How do you come up with your offer that you give to the seller?

Sumner: Oh, gotcha. Yeah, yeah. So nowadays it's looks a little bit different to back last year and years beyond. I mean, we're kind of doing the classic 40 to 55% you know used to adventure money clothes on it. Nowadays we're actually we're pretty darn picky. So first off, I'm not going to make a standard cash offer on the deal unless I know that's kind of a tenant out town in every area. It's because the market's changed so much. So ten out of ten of me. No questions with access both legal and physical. No questions of Topo, all that stuff. And if it. As any question marks. I'm looking at creating a double pose, which will still kind of start with that typical 40 to 55% or whatever it may be. And I'm not a stickler. I mean, it really is price dependent. So if I'm on the lower reaches, I can be a little more aggressive than the higher end and market dependent where there's more demand. We have to be a little more competitive with our offers on those double close offers, though obviously I'm willing to get paid out a little bit, right? So we might end up buying it at 60 or \$0.70. I'm okay with that. I will always put an earnest money deposit down. I just think it's



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

the ethical thing to do. So we can control these properties for 500 bucks typically, and they're willing to give me time and mitigate that question mark on the property. I'm happy to pay. I think it's all. So that was one of the things that took us a while to catch on to this year is we were taking on stuff that maybe a year or two ago, we still would have sold in 30 or 40 days. It had just a little bit of hair on it, you know, back in the peak of craziness post-Covid, probably has a little wetlands on it, don't really care that much. They still wanted to buy. It was in a good market. It's different now. And so for me, it's like I don't look at double closing as a way to make compressed deals work. I look at it as a way to mitigate the question marks. Now, if it's a perfect deal, kind of ten out of ten of that category, we'll cash close. I do want a whole title just so I don't lose a deal, or we'll look at a value abstract that's kind of like.

Joe: You you're still closed on it as soon as possible. If it's a 310, if it's if it's not, when you say the double closed strategy, that means you'll close in a couple three months. Yes. Yeah. You find somebody else that will buy it from you.

Sumner: Yeah. Yeah. Exactly. So many ranges. I'd say three months to low. As we push for six we usually get four. Somewhere in that range. We'll put \$500 earnest money deposit down. We don't use an option contract or anything. We just use a purchase agreement has like kind of like power of attorney language that we can go sign MLS documents, yada, yada, yada. The list on that.

Joe: And you give yourself how long to close?

Sumner: The 30 days to close before March to kind of market the property?

Joe: Okay. All right. So what let's talk about what has changed in the last year in the land business. Um, are you seeing a slowdown in buyers buying or sellers not as motivated as they were before?

Sumner: Yeah, I think that anytime you are transitioning from one cycle to the next. So we're coming off highs from last couple of years and buyers are definitely drying up. We have a mismatch bid and ask right. So sellers are still a little hung up on prices from two years ago. Buyers are kind of forecasting the doomsday. We haven't found much of an equilibrium there. So I do think it's a little harder on the acquisition side, but not too painful really where we feel the pain is on the disposal. Right. So we're just noticing that a lot of markets have way more supply than demand. And these markets are just stacking with supply. Oh, I every, every month. That's a concern. And so one of the things that we're just ruthless about is picking the right up markets. Right. So we're talking about sell through rates inside of a can



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

we go find markets that have 15, 20, 30% of the inventory turning over every single day. So we created a platform to do that called land insights.co. And it goes and scrubs all the zip code counties and goes and pulls all that information so we can say, hey, show me property. So many markets where every 30 days, 20% of the inventory is turning over and just show it to me in Texas and they'll just populate all of that.

Joe: So this is, you created this website?

Sumner: Yeah, yeah, it's called Land Insights.co. So it's just a huge data aggregator for all the counties in the U.S. there are some counties that are black holes we can gather data on. So as it stands right now, we track sell through what we call sell to rates, supply levels out of state, out of county owners. We track that every 30 days. That gets refreshed. And in December we're releasing a couple new features. We're adding zip codes to that routing median price. So we're adding something called the Gini index. So the Gini index tells us how homogenous pricing is. So you'll say, hey, I like this county in Texas, 20% of the inventory is turning over every one month. And that trend is sustainable over the last 12 months, has a high concentration of out of state owners. The median price is 10,000 an acre and pricing is very homogenous. When we look at an I just pricing, I want to say how big is the spread from low to high that Gini index tells if it's very tight or it's very wide. And if you're a do land investor, like coming into this business, I personally think start with blind offers, start with range offers, let that do the pre-qualifying for, you know, start sending neutral letters until you have a team. And so to do that you need pricing that's like somewhat intelligible that you can actually price out. I got a little sidetrack there where we're talking.

Joe: Well, this is where I'm looking at land insights dot co right now. It is this premium tool. You have to pay for it. But this is really cool. You're getting your data from Data Tree or something like that, or you kind of aggregating data yourself for this.

Sumner: Yeah, we're aggregating data. We try not to we try to only as it stands right now only bring in MLS data like the, uh, the private sales stuff, which probably makes up a third or a quarter of all land sales. It gets a little fuzzy in terms of tracking price around that. You can get a lot of weird blips, neighbors selling to neighbors or things like that. The same thing. We don't track Land.com prices. That stuff can get funky to all of that self submitted pricing. So I sell a property, I put my own price and people spoof the system all the time. So MLS to us has the most honesty and accuracy because our standards are wow.

Joe: This is interesting. So again you're showing reports on which counties in the country are turning their properties the fast.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Sumner: So what we do and we break that down by every size range to a right. So they'll say hey I'm a 5 to 40 acre buyer just showing those markets where they have the highest turnover. And what I found is back in the day, I could throw a dart at the Dart board and buy land at any market, and it would sell in a reasonable time for it. That's not the. At all. And so market selection is free. And if it dictates our results let's over index on that. I mean, of course the tool costs money, but anyone can do this. You don't have to have the tool by any means. Um, and so cost of sales, the same cost of running my teams the same. Let me just work in the better markets. And the thing I hate about Dispo is our hands are always top. I can listed at the right price. I can market it well, but I still don't know when it's going to sell. And so I want to kind of stack the cards in my favor. And that's a huge thing that's going on right now. I think it's only going to get worse, frankly. What I see track you all the counties in the US those there's a little liquidity pools, weird markets, weird counties. You'd never expect to have unbelievable levels of demand. Now, one of the things that I look at too, is not just about how much demand there is, but how much is into the current supply. So I tell people, try to only work in markets that have about 50 to 250 properties actually list too little. The numbers start to speak. So if you have two properties for sale, one sells 50% sell to rate. Wow, that's not really accurate. Too much supply. By day 3 or 4 you're listings on the fifth page and whenever sees it again like we have to both buy property at a discount. And then we also have to play an internet marketing game of getting iced.

Joe: So that's interesting because there's I talked to for me personally, I like to look at where's all the hot activity in the last 90 days. Where have most of the properties been sold in the last 90 days? You can get that information from Zillow and Redfin. But then one of the drawbacks to that sometimes is some of those counties where there's a lot of solds has a crap ton of active listings. And so one of the things that your challenge then is, becomes when you do get a property under contract in that county, you've got a lot of really low actives that are you're competing against. Does that make sense? So you can see if you see a lot of sold in the last three months that have sold for 15,000, \$25,000, let's say. But you're also seeing some active listings that are for sale for 20. So you're wrestling with, well, what should I list my property for? I know they're selling for 25, but there are some actives here for 5, 10 grand less. Um, and how do I stand out in this little pocket where there's tons of competition? But one of the. I don't know, it's one of those things I wrestle with because I'm still if it's price. Right. It's I'm still selling these deals quickly. And one of the things that I've done lately is I've been more aggressive with contacting the buyers directly who have been buying in that market. At the same time, I'm contacting realtors who have sold recently, and my conversation with those agents have been, hey, I see you just sold this property. What would your buyer be interested in? This property that is cheaper and I pay and I pay. I've been paying real generous commissions to those agents



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

10%, but then going directly to those buyers as well. I'm just wondering, like sometimes when you go into those markets where there's a lot of sold, you know, there's a lot of money there, there's a high demand. Sometimes you run into too much competition. I don't know what are your thoughts on that?

Sumner: What do you do at the best of what kind of business you want to run? Do you want to be inbound or do you want to run the out ground game like I just had a member, do exactly. Double close. Once they got it some 40 and sold it for 130, it was like technically it looked like a landlocked property. There was easement too. It's a very weird parcel, but you saw adjacent to it a realtor listed a property and so calls up the realtors and sure enough, yeah, there's buyer would probably want to buy this thing again. Never ever made it to market. Sold instantly. That's cool. Like, that's just kind of going out hunting. I would rather cast the net and let them come to me. But the thing is, different strokes, different folks. I think both work. What I found is that there's a pricing thing that you're talking about, right? So markets have a ton of supply. We have to be competitive I think. So when that land academy says the next logical sale or whatever, maybe I think that's true. We have to compete with what's actually listen today, not what sold yesterday. But the thing that I hear is I can be priced right and I can have a great listing. And I just if I don't catch her the right time, my listings got buyers. I think on Google I don't go to the third or fourth page, you know what I mean? And so in those markets, I think to make them work, you have to play the outbound, which if we look at our business, we're selling a couple hundred properties a year at. That's a hard thing for us to do. I'd rather just eliminate that work entirely and work in that, the lower supply markets. But again, I mean, there are strokes, different folks. And when I have learned in the land business a lot of ways to make money and they all kind of work, they all have pros and cons, you know, just kind of depends on what business you want to run personally.

Joe: All right. So let's say you were going to go into Florida a big market, tons of people there. Right. And there's some counties, there's 3 or 4 of them that are like a thousand properties every month. So right in those little areas. So if you were to pick a county in Florida, how would you do how would you do that.

Sumner: Yeah. So one of the things that we do for folks that are just getting started land I first choose your avatar. What kind of land buyer do you want to be? Right? I don't think being opportunist makes a lot of sense. You can make money that way. But I find as you get to this process analysis, why buy some infill? I buy some real recreational to choose your own adventure. But if I look at our business, we buy typically ten acres plus, and there's really no cap on that. So first thing I go, I go look at Florida. I just start narrowing down. First off, like, where's the imagery that I like? So creating rules for what you actually go after. If we



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

look at what we do in our business, my favorite thing to work in is these weird little tertiary markets. They're these small rural towns that have an ungodly amount of demand. You don't really know why, but. They just do. We're doing an entitlement right now in a town called Brownwood, Texas. Let's put that out. There is a podunk little town, dude. I mean, it's probably got eight. It's got like 18,000 people. Housing inventory turns over every 90 days. They're saying they can't keep houses on the shelf. It just everything flies off the shelf. Now there's some macro trends. As at 3 a.m. said there are some things there, but these are the things that I love. These are called micro politics. I think it's what they call them. There's these little towns in the US that are typically rural for whatever reason, like punching above their weight class. That's what I look. So when I look at Florida, I'm not looking at that subdivision. With 5000 records and 2000 properties for sale. This is not me. I don't want to live. I also think they typically those properties. You're kind of in a race to the bottom with people because you're selling homogenous inventory. When I go buy that 40 acre with two side of the road frontage and hold up whatever, Florida, if I got another property on market like that, and that's a competitive advantage too. So that's it. That's how I would do it, right, just based off of my own business. But that all starts by defining who are you as a as a land investor, I kind of create a rules around what deals you buy and what markets you work at. That makes everything easier. I'm sure you experiences with your students where people are just like Joe, I don't know how to pick a market. I just sit on it for a week. So I create a rule around it becomes a lot easier.

- Joe:** Interesting. I am often saying follow the demand, follow the money. Like um, where is oh wait, but then they okay, well, I want to go into Charlotte County, Florida.
- Sumner:** Just to see there's got to be a counterbalance and demand can't be the only thing. Right? I think there has to be some kind of bandwidth. I don't go beyond this and don't go below this because then demand can look crazy when it really is it, right? I that's my beliefs.
- Joe:** You know. Um, do you ever play with Prycd?
- Sumner:** I played with it a little bit. I haven't used it ever for pricing mailers. Years ago when I was in, um, Clint Turner's mastermind. Yeah. Price. Okay, I think I just come out and everyone is really hot to trot on it, and I used, like, the, uh, whenever the free subscription, but I've never paid for it or used it long term.
- Joe:** The thing, it's interesting. Um, they have this research tool and there's different like, it'll lookup all the counties based on their research from what they've scraped on land.com, Redfin, realtor, all of them. And the data they're getting from Data Tree, you can do filtering criterias on what they have a sold to listed ratio the last 12 months, which is



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

interesting where they look at how many solds versus how many listings. So ideally you'd think the higher the number the better. That means there's more solds per active listings. And so I was just wondering if you've ever looked at this. There's also a ratio they have called parcels on market ratio where how many parcels are in the county. How many are on the market. Yeah I mean yes. And they also have days on market you could filter and there's a hundred different ways you could look at this. And you can get stuck in analysis paralysis for sure. Um so let me ask you, let's say you were to start all over again and you had seven grand in your pocket, right? Yeah. What would you do today knowing what you know now in this market.

Sumner: I would do it a whole lot different and a whole lot different. So first off, I only put that money towards operations and marketing. I wouldn't even dare to think about funding my own deals. You're out of your mind if you're finding your own deals. Too much capital. There's a big box named deal funders, which have good enough terms where you can go find private money. So that's the first thing I could probably afford to send out 13, 14,000 mailers plus have a little bit for my CRM and all that jazz. But I would be like before I even start blasting out an email, I'm going to spend over index on finding grapefruits, right? So again, I'm gonna start by saying what I learned best. Or do I want to be where I want to be? Uh, rural recreational guy or rural infill guy or an Intel guy, whatever it may be. Select what kind of asset you want to go after.

Joe: So what would you choose? What would you be?

Sumner: Certainly I would go, yeah. First I go real recreational. I'll tell you why. One I think it's a much more resilient asset class like houses are less houses are being built. You also want real recreational land. I think it's always going to be in style. I think actually, as the world gets weirder and scarier, you will want self-sufficiency. You know, 40 acre with cows and a river. It sounds pretty nice when the world's looking a little daunting. I think it's always going to be in favor. I think Covid showed us that, especially with remote work, people no longer have to work in cities. You can go live in Podunk wherever, and so make a San Francisco salary, but live on a farm. We think about that if we think about humans, it's like, what's more familiar, living in cities or living out in nature? Living out in nature. I think we all know that in some capacity. I think there's going to be a resurgence of that. I already think there is. I think it has with more use cases, which I like. If I have an infill property, the use case is limited to one thing, and if it doesn't perk, or does it have the utilities kind of worthless? My 40 acre in North Carolina, the soil might be terrible and it might not perk, but some of associate their guidance on how to put RV or whatever.

Joe: Or hide their guns.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

Sumner:

Yeah, exactly. Yeah. The other thing that I like about is you have more exit strategies, more options around. So typically we have more acreage. There's just more that we can do with it. So we've got a 57 acre property right now that we're turning into or it's three lots to our adjacent one separated. We're selling one of those properties. It's ten acres. So we've got 47 acres. That's 47 acres into 76 infill lots. I can't create real recreational land out of infill properties, but I can create infill out of real recreational. And I like that. I always want to be playing the game where I've got multiple exit strategies. Same thing. I like the finance side like, no, I can use owner financing on this yields and subdivide them. Can't do that. We just got to lead. We send an offer out today for property in Texas. We're partnering with the seller and subdividing. We're giving them their basis plus 10% of what we make on it. Okay. And we got to chop it up into five acre lots and sell them off. So I just think you've got more flexibility. So I mean the first thing next thing is I would set rules for the market section. So if I were you I'd say no less than 50 properties, no more than 250 properties and inventory. I want to see at least 15 to 20% selling through every month. I want that consistently over a 12 month period. I want to see a similar trend on the one month is what I see under contract, right? So if the one month is strong or there's nothing under contract, it's a little concerning. They should kind of be in parity with one that's as close as we can get to like a real time pulse on what's going on. I want to go and download that data, and I want to think about how can I actually create offers for this. I don't want you going and doing neutral letters, and I want it cold calling people. I want you to do the proactive work for creating offers and allow the pre-qualified leads to come to you. When I first started this business, I was working a full time job. I couldn't be on the phone all day for nights, weekends, odd hours. I create offers, I can do that whenever need. The few leads that came to me, they're somewhat pre-qualified. We still got job, but I made the time on the phone a lot easier, a lot more effort to actually price these things out. I think about three things. I think about one, if you're in a rural market, usually there's going to be homogeneity for acreage ranges. So hey, 10 to 20 trade within a pretty tight that when I say homogenous I mean the low to high price in the last year is less than 100% Dell. So 7014 thousand an acre. It was less than that. We're kind of in a jazz band with offers. You just have to be write it off. You don't have to be the one thing that I would do recommend for everyone. It's like you can go export the data from Redfin or wherever you get your data referenced by the best. Remove the outliers every data set is going to have, like the landlocked property with a swamp on it like remove. That's not a fair data point. Create offers off great offers. Have an answering service. Use Pat live 300 bucks a month. Don't dare take those initial calls. It's a waste of your time. If you're just going to scream at you, the good ones will make it into your CRM. Do your homework, call them, try to fish out what their problem is. Don't give them an offer off the rip. Right? They called you from this letter. What's the issue in their life? There's always something big or small. Yeah, I figure



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

with that out with that. Is it. Try to marry a price to that. We use like the offer letter to pre-qualify. But I rarely do deals of that price. So as I get bid up or sometimes we come way down. But most deals are never going to be at that price. We just use that kind of field. That's it man. The one thing that I will say though, I wish I knew earlier as we started doing subdivides and entitlements, these more advanced deals, I guess I was so scared to do them. There's someone else has already done those deals, so go partner to the person that's really done that and learn his strategy. So you get big old Hawkins subdivide deal. Just partner with someone I make half of what you're going to make, but learn a lot.

Joe: How do you find those guys to partner with to subdivide the deals?

Sumner: Yeah, I mean subdivide. Call me also to work with you. But yeah, there is definitely. Subdividing entitlements is a very nuanced industry within a very nuanced industry which is learned about things. It's kind of a needle in a haystack. You can go into that like discord or Facebook groups. Just put a shout out and say, has anyone ever done one of these deals before? Great on YouTube.

Joe: Great idea.

Sumner: Yeah, yeah. So we're not there's done it right. And they yeah, they don't have to have been like the ultimate expert. I am not the ultimate expert on entitlements, but I've done it. I've done two. So I know a little bit I could kind of hold your hand. Yeah. And do that. What I found is like a lot of these guys, this guys and gals that do these more intricate land strategies, you won't find them online very easily, but someone like me or someone like you probably has a connection. Like you're 1 or 2 connections away from knowing everyone in the real estate. So just ask you'll find someone.

Joe: So that's really good. All right. So somebody new is hearing us talk about this. And they're thinking, all right well I'm going to go after the recreational land. Uh, they're thinking, where am I gonna get the money to buy this deal for 50 grand? I don't have it. What do you tell them?

Sumner: Yeah, I think if you're just getting started, I would use joint venture money. So essentially, you're going to have a slice of equity. They're going to cover closing costs, purchase price. You're not taking on debts. You're not taking on all this risk. Right. You don't really know what you're doing yet. So I think they also act as a barometer to say good deal, bad deal. So kind of keeps you a little more safe. They're all over the internet. I mean, again, just Google we have dual funding inside of our program.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

- Joe:** So are you talking about the land funding companies? There's a bunch of them out there.
- Sumner:** Yeah. So there's a couple different ways you can skin the cat. You can use what I call the big box funders, the land funders, parcel funders, all those people that you know, you're not going to get the best rates, but they're businesses. So they always have money. They respond on time. They know what they're doing. I would do a few there and build up a track record that I go and create my own joint venture funders and eventually convert those into hard money funders or debt.
- Joe:** But you gotta love that too, because those funding companies, they'll let you know if you don't have a good deal or not.
- Sumner:** Right? Yeah. They're not going to buy bad stuff as a really good kind of yes/no test.
- Joe:** That's good. Uh, let's see here. You talked about your CRM. What's your favorite CRM that you like to use?
- Sumner:** I've, I've used a whole bunch. I've used Salesforce, I've used Zoho, I've used Pebble, I've used follow up boss. Uh, my two favorites are Pebble and follow up boss for sure. For different reasons. I think follow up boss has the better communication tools like the internal calling features and drip text and all that stuff is probably the best out of anything I've ever used. Zillow just bought them, so I'm sure they're going to get better and better. Uh, but Pebble, in terms of like a database management system and a CRM is pretty killer. I'm close friends with the Pebble people, and the amount of feedback that we've given they've actually implemented is unbelievable. It creates a new KPI dashboard within there. Kind of it's getting better and better. The one area they still aren't perfect on is the communication side, right. So you have to tie in open phone.
- Joe:** I thought they had that figured out. Like they added, they had that they do.
- Sumner:** So you can call out of it. But it's still have to maintain still an integration. You have to tie in the others. They don't have their own phone system like you're going to get with follow up also. Instead follow boss, I can pay it actually \$19 a month out their internal phone system and it just it just works really well. The other thing with Pebble, they don't have an iPhone app yet that's coming. I mean, their website is mobile responsive, but it's not perfect. So like our team, a lot of times they're going to take calls on the weekend or odd hours through follow up to their fault and just work really well.
- Joe:** Is there a way you could you use follow a Boss 100%?



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

- Sumner:** Yeah, we do, we do. So we've been trying to make the transition into Pebble has been a very slow, arduous process. Yeah, you can use 100%. Well, we still use like Kanban boards and Trello and do a few things outside of it. Our KPIs aren't stored in there. Then what you can get with pebbles with that, separate sheets for that. But yeah, we do. We do everything in there. And when you kind of have to duct tape it together not perfect. Yeah. I think if you look at Pebble, it's built for acquisitions, operations, dispositions. You have everything separated. We've had to be a little gimmicky with how we've done it, but we've made it work. For last couple years.
- Joe:** I've been a big FreedomSoft guy. For the longest time I ever heard of the FreedomSoft was made for wholesalers, for houses, and it's pretty in my opinion, the it does everything I want except like with follow up boss, you can send and receive emails inside of follow up boss, right? So when somebody responds, it shows up. In your follow a boss account. With freedom software, you can send outbound emails, but when they reply it goes to your Gmail inbox. So we kind of have you got to go there to get it. The only other thing a freedom soft is still kind of lacking is, um, you can't get lists from FreedomSoft, although they're going to be doing that soon within the next few weeks. So you can do your outbound direct mail. I upload my list that I download from priced into FreedomSoft. I can send mail once a day, once a week, outside out from or soft. I get my phone numbers from FreedomSoft. It's really good for communications by phone and by text are really good. You can do automations where it does automated text, follow up and automated direct mail, follow up and automated email follow up if you want. But yeah, so there's nothing out there that's perfect. I'm always looking for the perfect one.
- Sumner:** Yeah, I was we should did that like a simple fix from the fix the email stuff coming into the right inbox. Honestly, outside of that, it seems like everything I would want in a CRM. I think the one thing that follow boss that drops the ball in, I don't know if it's different what freedoms off. I can create automations for tax and for email, but they follow the rules really closely. So I can't do multiple drip tax. I can only in in one campaign I can have one drip tax. Can you do multiple in freedom soft. Yeah. Oh that's nice.
- Joe:** You could do it every 30 days for the next 20 years if you wanted to. Um, then they do require opt out text in all of your texts, which you should have anyway. And they won't let you do mass outbound texting like you do in challenge control. But yeah, it's really impressive. I know the guy Rob Swanson out of Denver very well and, um, I like I'll show you some time if you want to. If you want to.



REAL ESTATE INVESTING MASTERY

www.RealEstateInvestingMastery.com

- Sumner:** Yeah I'll have to take a look. I can't imagine switching another CRM, but maybe I can refer other folks inside that unity too. I wish I would.
- Joe:** Wait until, um, wait until they add we already get data for houses. Tons of them get all of that. They have it. They just need to turn on the switch for vacant land. And so now they're cleaning it up. You can also do your skip tracing inside of Freedom Soft as well. And you could do outbound cold calling campaigns, but only do one number at a time. You can't triple dial outbound, and they're using some pretty cool direct mail integrations. But anyway, yeah, there's a lot of good tools. Sumner. It's been really enjoyable having you on the show. Appreciate it. And how can people get a hold of you if they are interested in maybe partnering with you on some of these subdivide properties? You know, they, um, or they want to learn more about what you do and how you do it. How can they reach you?
- Sumner:** Yeah, YouTube's a great place. Uh, just type in. My name is Sumner Healey. If you go landinvestor.co slash discord can join our discord for free. We just broke a thousand members. Yeah, YouTube for the best place. That's where I'm the most active.
- Joe:** Thank you so much, man, and I hope you have a good one. I hope you go back to, um, Costa Rica soon.
- Sumner:** Yeah, it's been fun, Joe. I really appreciate you having me on, man. This was awesome.
- Joe:** Thank you. Have a good one. We'll see you guys later. Take care everybody. Bye bye.