

## TRG Transcript 125

Mike Stohler

What if you could be doing something smarter with your money that creates income. Now, if you're wanting to get ahead financially, and enjoy greater freedom of choice, if you want a comfortable retirement, and you know you'll have more choices, if you can do more with your money. Now, if you've wondered who else is creating ways to make their money work for them, and you want actionable ideas, with honest pros and cons, and no fluff. Welcome to the Richard geek podcast, where you here helping people find creative ways to build wealth and financial freedom. I'm Mike Stohler, and in this podcast, you'll hear from others who are already doing these things, and learn how you can, too.

Hey everybody, welcome back to another episode of the Richard geek. We have today Lauren Hardy. Lauren is the owner of this mom flips wholesaling. And what she does is virtual investing in flipping houses. And what is unique is she invest out of state, so we're going to learn how she does that. And why she does it. How're you doing? Lauren?

Lauren Hardy

Hi, I'm good. How are you?

Mike Stohler

Doing good doing well. So let you know we're starting out. Everyone knows it or as hard as flipping houses. Okay, you know, that's kind of like where people start. And a lot of people have been very successful at it. Why? Number one, why flipping?

Lauren Hardy

You know, I kind of just felt fell into the business. I got into the business about 10 years ago, I was looking to kind of get out of the corporate world. I had just had my daughter and had another baby on the way. So I was starting to calculate the daycare costs and realize that I was not making enough money to really justify paying almost all my salary, you know, to daycares. So I was kind of willing to do anything that would keep me at home, I didn't care. I even went as far as like calculating how much it would cost like to replace my income. You know, say, if I were to keep my full time job, it's still playing the daycare, like how much money would I need to make? And gosh, at that time, I think it

was like \$36,000 It was so it was not very much. So I happened to be, you know, talking at a barbecue with my brother and telling him you know, I just need to find something where I can work from home. And he said, you know, you should do what I do. I was like, Well, what do you even do? I never really paid attention to what he did, honestly. He's like, you know, I flip houses, I buy them and I fix them, I resell them. And I you know, I make a profit. I'm like, Okay, well tell me more like, all he had to tell me is that I could do it from home, and I could do it around my kids. So I that's how I got my start. I got my start from my brother. Luckily, he mentored me on our first couple deals, we did them together, and then I broke off and did them on my own. So that enabled me to be able to quit my full time job, which is awesome. And you know, gosh, fast forward 10 years later, I, you know, done hundreds and hundreds of deals flips wholesales. Now I coach, coach the business. And so it's been quite quite an experience.

Mike Stohler

Well, yeah, it's, you know, it's amazing how some people when they started in the flips, they they they think of the HGTV episodes, right? Everyone? A lot of people get their start, there's like, oh, you know, they can do this in an hour. And look how pretty it looks. Yeah. What some of the things that you would say, oh my god, if I had had to do this again, you know, some people was, you know, they over fixed it. Right before they flipped it. What are some of the lessons that you learned early on that you would say, oh, please do not do this.

Lauren Hardy

Hmm, gosh, that is good. Okay, so with flipping specific when it has when it comes to like contractor type stuff, I guess you're asking. The biggest mistake I've ever made is giving a contractor too much money in their first installment. So So mistake number one is never give a contractor much more than maybe \$5,000 to get a project started. And you want to know exactly where that money is going. Perhaps if it's for materials, try to pay for the materials, you know yourself. So that is a big mistake. I mean, I'm even going through it contractor drama, you never stop going through contractor drama when you're doing rehabs. But if you don't know what you're doing, you could get in the hands of a contractor that's pretty shady, it's very easy to do have gotten in those hands many times. And they will start the first sign is that they start coming up with Will their family starts getting sick. And whether the weather and they an employee's car doesn't work like us the same excuses. So like, they start sounding very familiar. And they start dragging the job on, and then they start asking for more money. And that's when you know, things are going really soft with this person and you need to fire them quickly. Do not give give them

any more money. So I've lost money on flips, because I've had contractors do stuff like that.

Mike Stohler

And when did you learn that? You know, I've had some friends that did it. And, you know, they want to fix it as if they were going to live in it. Okay, you know, granted this and I'm like, Look, this is in the Scottsdale 600 700 \$800,000 house, this is a blue collar, quit putting tile and you know, did you did you start to over fix them at all? Or, you know, or did from the beginning you realize that you don't laminate? It's fine.

Lauren Hardy

Yeah. So I Yes, and no, it's a slippery slope. So the more I would go to the property, the more I would add to the scope of work. So I learned to just not go to the property very often, I got very lucky gie, where I did have some great contractors, so I'm only talking at first about the bad ones. But it I have been very lucky that I have contractors that work specifically with investors. So they, I just tell them do what you would normally do in a house like this for your other clients. And they will put in, you know, their standard stuff that they put in all the homes that they do for investors. So that helps a like save a ton of money. And like B kind of stops you from like that. Like if you're picking out everything that's in the bathroom in the kitchen, like it's a slippery slope, you're gonna start spending more money than you need to because, you know, the quartz looks, this quartz looks better than this quartz, you know. So that's actually been my like, the best thing that you know, I've found is kind of just going with like these go with a contractor that's experienced with House flippers that actively has investor clients that they work with right now. And just go, what would you do? You pick you pick it out and show me photos of like your previous work? And I'll just Okay, so like, they would send me photos of like, houses they've already done? And I'd say okay, do the kitchen in the house on Fifth Street do the same like bathroom that you did here? Like, I would do stuff like that, you know? And just let them do it. Because again, yeah, the more you go in, the more you're gonna add to that scope of work.

Mike Stohler

Yeah. Did you always do virtual? Or did you start you say you're from SoCal area? Yeah, start in the California, you know, and SoCal or did you? Have you always done virtual?

Lauren Hardy

No. So I did start in Southern California. I started in 2012. So this was a different time, there were deals everywhere, you know, there was plenty of discounted houses on the market that you could pick up and fix up and resell. So it was much easier to do it in my hometown. What happened for me is, as you know, the nation pulled them pulled itself out of the recession, real estate values in my specific area went up dramatically. Orange County is like arguably, you know, one of the most inflated markets in the country. It's one of them, you know, and by about 2016 I was really having a difficult time finding flips, and it's I started getting scared going, Okay, this is how I pay myself like, this is my you know, every deal I get is like a maybe a salary part. You're gonna think of it like your salary for the quarter, right? So like every deal I did, I was like, Okay, I don't have my next quarter salary. That's the way you think about it. And so I looked around though I have a bunch of friends in the industry all over the nation and I was like, you know, they don't seem to be having the same issues. I am in like, Florida and like air Arizona and these other areas like Why Why can't I find a deal? This is crazy. Eventually I made the decision to just try to go out of state and make this work because otherwise I'm gonna have to go back to my full time jobs so so yeah, I went out of state. I first went to Nashville, Tennessee because I thought it's cool. I had no other like thought process behind it other than it sounded cool to visit. And I started building houses there because that's what people were doing there. That was the game. So I built a couple I built three houses their ground up construction, and I started wholesaling and Latin flipping a little bit in Nashville, but mainly wholesaling as I was building those homes. So I Nashville kept me busy for a couple years, then Nashville, it was like the California effect. If anybody knows Nashville was like one of the number one fastest growing real estate, territories and for a while. So I was like, wait, I just left California to like be in another California. So I went from there, I chose an area. I chose Oklahoma City and Tulsa, Oklahoma, where, you know, it was a little bit more stable. So now, you know, I operate in Oklahoma City and Tulsa, and also Pittsburgh, Pennsylvania. Yeah.

Mike Stohler

How do you find virtual houses?

Lauren Hardy

Yeah, so we do a lot of direct to seller marketing. And I should say, now my business is probably more 80%. Wholesaling. And what wholesaling is, is you get the property under contract, and you sell it to another investor who's going to keep it as a rental or flip it is easiest way to, you know, to put that out there. So 80% of my business is wholesaling

reason is that, you know, being virtual, it is very hard to manage contractors. So, you know, that's, you know, it makes it a lot when you're wholesaling. You don't have to deal with the contractor stuff. But anyway, to find these properties back to your question, we do a lot of direct to seller marketing as wholesale sellers. So I always say, you know that house flipping isn't what you think, you know, I hate to you know, burst your bubble, but it really isn't, like, I see a lot of like designers like getting like aspiring to be a house flipper. But that artistic designer person does not want to do the sales and marketing that is required for house flipping. To find the deal, you're gonna have to do a lot a lot, a lot of sales and marketing. So we are spending a lot of money in marketing, cold calling text message blasting TV commercials, you know, and then you get the leads in and you have to make a lot of offers. I mean, we're making you know, 45 offers to get one deal, you know, so, yeah, so it's a lot of sales and marketing, um, you know, a lot of moving pieces. But, you know, it's, it's afforded me to be able to be at home with my kids, you know, I have the work life balance that I wanted, you know, so I still feel, you know, I feel very blessed.

Mike Stohler

Yeah, you know, and that's wonderful. I think that's why most people pay attention to getting into real estate, you have two types of people, one that wants that work life, balance and replace their income, then you have the other side that just wants the passive income and diversify the portfolio, and they have no intention of quitting. What would you tell someone, and this is maybe part of your coaching part, but what would you tell someone that says, hey, I want to start doing this full time my job sucks, my boss sucks, you know, or whatever, you know, is going on, but they want that, that lifestyle, you know, what would you tell someone that's looking to start getting into it?

Lauren Hardy

I mean, I would definitely first warn them, you know, that it's very sales and marketing. I have a lot of people that approached me, you know, like saying I'd love to do that. And they have no idea that it really is a sales and marketing business. And, you know, so that's the first thing is like, how are you with sales and talking to a lot of people and making, you know, a lot of offers and following up you know, and if it's somebody who has a background in sales, then they're actually great. Like, they're, they're usually okay with it. But what I found is that is like the people that are like more of the designers like, you know, they're like, nevermind, like the the creative types are like no, I that's not what I want to get into. So, oh, you know, of course, it's making sure this is the right fit for you. And you're realistic with what this business really is. And then the next thing is don't be afraid to get education. I think in although I am biased, right, like I have an education

program, but the first thing I did was my brother handed me an education program that because back in the day, these used to come in CDs, it didn't used to be like online, it used to be like a binder of CDs that you would put in your DVD or your CD player in your car when your car used to have a CD player. So that's what the first thing I did is I got a, a binder of CDs from this binder of CDs. So I don't know how I wouldn't have, I wouldn't, I do not know how I would have figured out how to get my first deal if I didn't have that binder of CDs.

Mike Stohler

Yeah, and you know, that's an extremely important message everybody is, you can either spend your money by failing and learning, or you can just go ahead and spend the money and learn from a mentor. You know, I did not start really succeeding in my business until I got mentors, and got business coaches, a head coach, you know, because, you know, some of the most important things is, and I think, especially when you get going as you want to start, you want to do it, all right. Because you maybe can't afford to do it. You know, hire people. But yeah, at some point, you're gonna have to say, okay, I'm good at this. I need to hire someone to do all this other menial stuff in the marketing, you can still do this, if you're not in a marketing sales, you're gonna have to find someone that's good at marketing and sales to do it. Right. Yeah. So that's a very good point that I always tried to tell everyone is, I didn't get to where I was today until I started educating myself. Yeah, absolutely. Yeah, it's amazing. So let's talk about the education part, the coaching part. What do you offer? What is your coaching? Yeah,

Lauren Hardy

so So I coach, I have a coaching program called virtual investing mastery. And it's essentially from A to Z get at you your first deal to your you know, I've students that have done, you know, 10s of, you know, 1020 3040 deals, but it is more directed to the beginner I have, you know, it teaches you how to get from starting from zero, you know, to get your first virtual wholesale deal. The whole idea is how do you invest? Or how do you, you know, you know, find properties, discounted properties? How do you wholesale complete a wholesale transaction without living there, you know, without being able to just get in your car, and drive to the property? How do you do that. So it's what I went through that I had to figure out on my own, I compiled that into 10 modules, that is an E course and it comes with coaching, I have a weekly coaching call where you know, you get that support. Because, you know, though these e courses are great, you learn a ton from them. There is something about having someone that you can get, you know, on a live call with and, and talk some details out. So I teach everything from seller marketing, how we get the deals, how do you talk to sellers, your scripts, how do you convince a seller to sign

a contract when they've never met you in person? You know, how do you transact after they're like, what are all the contracts you use? And like, what do you do like from start to finish? The transaction coordination? So it's very comprehensive. And yeah, again, I when I put the course together, I thought about all the mistakes I made in the last 10 years, and I said, if just write down all the mistakes you've made, and what you know, could you give to someone so they don't make those mistakes?

Mike Stohler

Yeah, and that's, that's so valuable. It's like I don't want people to have to do what I did you lose the amount of money and the headaches and, and all that. Do you use any type of software at all to find houses? Or do you just go out and Master?

Lauren Hardy

Yeah, I mean, I use, we pull lists. My primary source for list pulling is prop stream. So if you guys go to prop stream.com, that's where I'm getting my Motivated Seller List. In fact, on my YouTube channel, I have like live demos of me pulling lists. So if you if you go to Lauren Hardy on YouTube, you'll you'll see some demos of that.

Mike Stohler

Yeah, prop streams really good. We've used property radar.

Lauren Hardy

Yes, I know the guys that property radar. Pretty well.

Mike Stohler

Yeah, yeah. Aaron Lewis, for anybody that wants to listen to that, I'm gonna plug another episode if you go to Episode 86 of the richer geek you'll learn from Aaron Norris. Property radar. And can we

Lauren Hardy

share a funny story? Aaron Norris this dad was one of the first e courses I ever got a hold of. So here's was my second I learned from one guy named Mike Cantu who was his was

my Cantu's was the first book of binder or binder of CDs I got. And then Bruce Norris, who's Aaron's father is the second one. So Aaron's father's a legend in our area. He's been around forever.

Mike Stohler

Wow. Yeah, it's such a small world, isn't it? Yeah, it's just so worn where can people find you? If they're interested in the coaching, but just interested in little more information about how to do things virtually? Because I think everyone knows how to do it in their neighborhood, you know, or in in their own state, but where can people find you?

Lauren Hardy

Yeah, so I usually direct everyone to my main website, because that'll take you to kind of everything so if you go to Lauren Hardy co.com There is a link there for the coaching if you are interested in in the virtual investing Mastery program, I have some free tools on there free wholesaling mini course. And then if you just want some free videos, if you're a big YouTuber, go to Lauren Hardy on YouTube. And I also have an Instagram account that's this mom flips, perfect LinkedIn. I'm not really active on LinkedIn. I'll be honest, it's pretty outdated. If you go look at my LinkedIn.

Mike Stohler

Yeah, that's but everyone it's Lauren as I AU, r e n party, h a r d y. And Lauren has been fantastic. Thank you so much for coming on. And being wonderful and teaching us all but a little bit about virtual house flipping and wholesaling. Take care, everybody. We'll see you on the next episode.

Thanks for tuning in to the richer geek podcast, where we're helping others find creative ways to build wealth, and financial freedom. For today's show notes, including all the links and resources from our show, and more information about our guests, visit us at [www.therichergeek.com/podcast](http://www.therichergeek.com/podcast). And don't forget to jump over to Apple podcasts, Google Play Stitcher, or wherever you get your podcasts and hit the subscribe button. Share with others who could benefit from listening and leave a rating and review to get the podcast in front of your eyes. I appreciate you and thanks for listening