

## 97 TRG Transcript

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 richer geek podcast. We're 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.

All right everybody, welcome back to another episode of the richer geek. We're are all glad to welcome Landon and Teria Harris. How you guys doing?

Teria Harris

Doing well, great, thank you.

Mike Stohler

You're way out. And you're owners of Creekside developments and you are future land barons Is that right? That's the goal. Let's start from the beginning you've it's kind of fun. I was reading your bio you started in you did some homes and things like that you're like going now, you know.

Landon Harris

Yeah, so we pretty much we started in residential real estate. I mean, just like everybody else, you know, we we rented houses and, you know, having tenants and dealing with the tenants and headaches and having a tenant and you know, they call you in the middle of the night toilets busted, and you need to get over them fix it, or pipes busted. You know, and all the headaches that go with it, I mean, stores out there. And it started to transition for us a little bit. And we were looking to kind of switch out of rentals and move more into flipping homes. And so we started flipping homes. And we pretty much we got into flipping homes and did a few deals and realize that you know, the capital that you have to come up with. And some of the headaches you have to deal with with contractors and getting everything to the other permits and everything. It was a big headache is big headache.

Mike Stohler

Yeah, you know, everybody, you know, I always tease that. Everybody watches HGTV too much. Yeah, yeah. And man, what they can do in an hour episode is just amazing, right? None of that is based on reality. And, you know, most to me, the fix and flip is probably the riskiest business that you can go to in, in real estate, because it's 100% speculation. You know, most of most of the time, when you're starting out, you're going to do fix and flips because that's what TV tells you to do. Well, how are you going to come up with the Catholic hard money? Yeah, you know, at what percent interest you know, and then you hope that after you buy the house, put in all the money, you can sell it? Well, the percentages in of what you get in the amount in the amount of time, man, that's a big hassle, you know, for just that much money. So I agree with you, it's let's hear that listeners. Don't don't pay attention to HGTV it doesn't work. The only thing it's good is that it gets people into real estate. Now tell me about what got you started in real estate, what were you know, what were you doing beforehand, and then all of a sudden, it's like, hey, I want to get into real estate. Well, what was that moment for you?

Teria Harris

I think we both. So, Landon's family owned a lot of real estate from his grandparents, his his mom, they owned a lot of real estate. My grandparents owned a lot of real estate in California. So it was almost innate for us. We grew up around real estate, my grandparents on apartment buildings and things like that. So, we were familiar with it. I ended up getting my real estate license in Georgia and thought you know, this would be cool. And so, when we got married, we were like, We both love real estate. Let's just you know continue, although we both had, you know, day jobs as well. We still kind of did that on this side and our goal was you know, we know we wouldn't make enough money to live the way we want it to live just off our day jobs so it was more from a supplemental and you know putting away money for a great retirement for us it's kind of how we started

Mike Stohler

Yeah, and I think that is you know, our listeners that are going to be listening to this podcast they can really relate to that it's you know, do I want to keep working for somebody you know, that's the big thing and you know, my personality is like you know unless I'm the boss and and I think a lot of people that way or that way and whether it's general partners like you, you know, the person that actually does it or your investors who are passive I think everyone's working towards that end goal where they can eventually retire or replace their income and instead of retiring you're switching into being your own boss is the best thing right? Because then you don't have to retire right? Because then you can just get people working for you and they can be 80 years old and just get money from the real estate that's that's our goal. So you did you know some single family did the tenants and some fix and flips and then you went into land is that yeah so no tenants with the land as it was that why you did

Landon Harris

Yeah, we you know we we jumped into you know, we were the podcast and everybody else and we just started listening and heard this great podcast where the guy talking about land and flipping land and it's like that's interesting so looked into it a little deeper and we got involved into learning how to do it and it was though the amount of capital that you had to come with was so much less so much less and then the percentages were so much greater I mean your your forex and your money so it made sample made a sample plan an easy way to do it. So we jumped right in and you know, we've we've been doing this for a few years now and it's it's just growing and going through the roof or

Mike Stohler

what are some of the what are some of the benefits of land over other types of you mentioned easier to get into as far as capital

Landon Harris

right? Yeah. The one big thing that you don't have to deal with you don't deal with any tenants I mean it's raw land there is nothing on it and you know, we we have we basically financed the properties for for buyers and it's on an automated note service and so basically it's it's like if someone's buying a car you pay on it until you pay it off and then you get the the deed or the car note in your own title. So basically, we do the same thing with land so you pay off the property and then at the end of it you get the deed

Mike Stohler

Are you buying off of MLS is are you buying notes are you buying distressed you know, what kind of land Are you buying

Teria Harris

So we we buy just raw vacant land directly from the owners so we send out mailers campaigns we make offers to purchase their property, they respond back we do our due diligence on the back end send them over a deed they sign it we cut them a check we own the property another really good advantage is you know every now and then we'll have a buyer who you know they can't make their note and we'll work with them and but the foreclosure process is literally a certified letter, you know, we have foreclosed and that's pretty much it we then market the property again and sell it again so bear no real legal drawn out legal processes when someone is unable to fulfill their end of the contract.

Mike Stohler

Okay, so that was the next questions on what you're doing with the land whether you're buying and holding it, you're flipping it you know, are you buying large enough parcels where you divide them and then flip them? What are you doing with the land?

Teria Harris

Yeah, we typically don't so it right now currently where we are we'll buy anything from point two acres, you know, somewhere in California all the way up to maybe 15 20 acres in Colorado, generally we don't go through the process of trying to, you know, separate it out, we will sell all 20 acres, if they are 20 acres, if they're like, you know, four contiguous, you know, five acres, we'll market it both ways. You can buy a five acre, you can buy 10 15, or you know, 20. But we buy it as is, and we sell it as is, we typically don't do any improvements to it, we don't, we don't, we don't even see the land. So buy it, and then we turn around and sell it, we have some who want to pay cash for it, which is fine. But I'd say about 90% of our buyers, we finance, right?

Landon Harris

All of our titles are clean and clear. So as we sell it, you know, the owner, the ultimate owner ends up with a clean clear property that they you know, they're able to build or camp or do whatever they want to do on it becomes there.

Mike Stohler

Yeah, so it's nice. You're going nationwide. If you see anything in Arizona, let me know.

Landon Harris

I was planning Yeah.

Mike Stohler

Well, yeah, there's a lot of land,

Teria Harris

and a lot of land. A lot of available land we get

Mike Stohler

you know, but there has to be a road estimate. There's a lot of desert, okay, here. I am picky, you know, it's, it's, it's hard, if you don't have context, it's hard to get land, if you don't know how to find the land, you know, if I needed, you know, 10 acres to build a storage facility or another hotel or something like that, well, I can't look in around Phoenix, Scottsdale is gonna be million dollars an acre, you know, I'm just going to be you know, very expensive, but along the, who owns, you know, along the different highways and things like that, you know, in between the cities. So, you know, for our listeners, if you're looking for land, you know, they have some ends, they can probably find way, so yes, if you find something like that, let me know. Now, Howard, this is what's interesting, because you're one of the few wives husbands Don't kill me. You're one of the few married couples that I've seen that are working together. And it seems like it's working, you're not on the outside, you guys are laughing and having fun, and you guys working? So I'm like, Okay, what is that? Like, you know, you guys are in business together. And I just know that everyone's laughing, you know, saying no, yeah, that's the that's

Teria Harris

my black. Yeah, you

Mike Stohler

know, the quickest way to divorce, you know, go into business with your spouse.

Landon Harris

Along pretty well anyway. But for the most part, we kind of have the the company kind of divvied up, you know, she does a lot of the automations and a lot of the systems and she's very good about it, the processes and how that goes together. By nature, I'm just not, I have no problem stepping out of the way and is letting that you know, that's our that's what she wants to run. You know, where I don't mind getting on the phone and not you know, I'll talk to a customer and you know, we'll champions shall meet up and get to know him. And and, you know, it works for us in that way. So we kind of have defined roles, then we'll step on each other's toes, but for the most part, we know

Teria Harris

I'm in my brain 99% of the time, I say, but every now and then he's like,

Mike Stohler

yeah, you have the turn signal on get back over.

Teria Harris

Right, right. In the beginning, we had to set some boundaries. So because by nature, my husband is a workaholic. And he's all in all the time. And so we had to set some rules and boundaries, like, Okay, look, once we get into bed, we're not talking about land, like when we're on vacation, we're not talking about land. So it was a matter of just kind of setting up putting him in timeout a couple times, and establishing, you know, clear defined roles, and then clear defined boundaries to where business was off limits, because it began to consume everything.

Landon Harris

Yeah. And then it's and it was, and that's a fair point. I mean, it can. It is you work in a business. I mean, in any business, you work and you push and you want to do really well at it, you want to be successful, and it can take over everything. You let it but you know, our relationship is way more important than anything. So that's something that we tried to make sure it's like, nothing comes before that. But yeah, we still want to do well, man. So yeah, we have our we have our band.

Mike Stohler

Yeah that's good and yeah it is stressful when we have notes due and you have to make payments and you have investors that are asking you questions so it does get stressful so it's it's nice that you're you've found your lanes and you've you've made it work now you're taking on investors you're primarily in joint ventures right now so how's it working you know you guys are finding the land and then you bring on some investors they help you with the down payments said how it works and then you purchase the land or the app What are you doing right now?

Landon Harris

So we have we have a lot of different strategies I think they kind of go into play in it and it depends on the investor. Some investors they may come to you and they say hey, I've got \$20,000 you know here's \$20,000 I want to make 20 or 15% on my return fine there's some investors they come and they may want to go half and half with you you know and so you put in your half they put in their half or or maybe it's a simple as Hey you market and sell it out I'll back it with the money so there's just different ways that we structure deals sometimes and then with the different investors that we have we try to make it fit according to that investor and you know what they feel comfortable with I mean everybody's got a different feel with what they you know want to do with their money but we also try to make sure we do that some quarterly dividends

Teria Harris

Some want you know, a percentage of the notes we take on every month and so they get paid monthly so like Landon said we're kind of flexible we kind of work to whatever is gonna work best for that investor.

Mike Stohler

Right? Yeah, I think that's the the advantage of doing joint ventures and doing one on one you know, having one investor at a time or one or two, they can do their LLC as you do your LLC and then you go into a joint venture and and it's, you can change it you know, it's a little bit different when you get into the larger ones. If you decide to do you know syndications in the future, where you have 20 investors and well, you know, this is it, and this is what you're going to get and right. And you can't change anything like that. There's there's no favoritism within syndications, it's very rigid, very strict, where you have a lot more flexibility within JV's. And that is, I will do those as long as you can until you say, oh, man, there's 200 acres here for and that's when you're like, Oh, well, okay, now I need. Yes, yeah. Knowing the big capital you're going to need once you start getting into a lot of investors in one deal then. Right? Yeah, that's when it gets fun.

Landon Harris

Well, then you have to have those rules and guidelines in place. Yeah. entity, right.

Mike Stohler

That's and and the team. Yeah. And primarily do that. Because the it's protect your investor and protect yourself. And that's when you need that paperwork that does that. And then how you market it, right? Because as long as you're doing the jv's you know, you can we can sit here and talk about this stuff. But as soon as you want to start advertising and things like that and get investors now you're getting into some sec stuff. You know where you have to be careful. So where can people find you yet? You have a website?

Teria Harris

Yeah, we have a website it is Creekside developments with an S.com,

Mike Stohler

exciting developments.com And you're on there. Yeah. And anything that you're planning on doing this year? What are your plans?

Landon Harris

Our goals for this year have been we want to double our one our passive income. And we I think we did 40 deals last year we're looking to try to do at this year. So that's that's part of our goal. We're on track to do it so far. We're coming out of close to it. So we we definitely want to do that. And we're we're now beginning to get to a stage where we will begin to climb to these a little bit bigger properties. That's kind of our next step is to elevate up a little bit, grab some bigger properties, some a lot more.

Teria Harris

Add a few more people to our team. I think currently we have about 77 - 78 people on our team now so we want to kind of grow that So we right now we might work maybe an hour, that a day on the business and we have a team that kind of does all of the other things for us. So we want to scale that back. Yeah. Yeah. Break it down to 15 minutes maybe if necessary. Won't it be nice?

Landon Harris

Yeah, exactly. We can work an hour a week and yeah, vacation. The rest. We're happy.

Mike Stohler

That is the goal, that I'm not there yet. I work too much. Too much fun. But yeah, well, guys, it's been a pleasure. I thank you for coming on. Listen, everybody, it is Creekside developments.com. That's how you can go you learn about these two feature land barons. And if you're interested in doing any joint ventures it, here's the thing. It's not like getting into hotels or multifamily, or large, large portfolios of homes, these doesn't take a lot of money to start investing. And you can see some really good returns and I guarantee you the returns I should never say guarantee. Give me trouble. The returns should be a lot more than the point 08 percent that you're getting in your savings account where your cash is right now. So, guys, I thank you so much for coming on, and have a wonderful afternoon.

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